



# **Fort Detrick Enhanced Use Leasing**

## **Gateway EUL Industry Forum**

**Hotel, Conference Center,  
Office, Laboratory, & Retail**

Lynfield Event Complex  
Frederick, Maryland  
3 April 2007





# Fort Detrick Enhanced Use Leasing

**Dwayne Rush**

Capitol CREAG, LLC  
Industry Forum Moderator





# Fort Detrick - Enhanced Use Leasing Announcements

- Schedule for the Day
- Briefings
- Question and Answer Format
- Lunch
- Site Tour
- Breaks
- Lynfield Event Complex  
Information





# Fort Detrick - Enhanced Use Leasing Agenda

- 0900 – 1000 Registration and Continental Breakfast
- 1000 – 1005 Introductions and Announcements
- 1005 – 1015 Welcome
- 1015 – 1030 Overview of Fort Detrick
- 1030 – 1100 Overview of the City and County Frederick, Maryland
- 1100 – 1115 Overview of the EUL Opportunity, and Site Tour Overview
- 1115 – 1130 Overview of the U.S. Army's EUL Program
- 1130 – 1145 Overview of Solicitation & Selection Process
- 1145 – 1230 Lunch
- 1230 – 1400 Bus Tour
- 1400 – 1415 Break
- 1415 – 1500 Questions & Answers Session
- 1500 Adjournment





# Fort Detrick Briefing

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- 2005 Maryland and Senate Quality Award Honorable Mention
- In Top 5 of all Army Installations in 2005 Army Community of Excellence Competition

**Colonel Mary R. Deutsch**  
**Commander,**  
**U.S. Army Garrison**  
**Fort Detrick, MD**



# US Army Medical Command Installation



- Began as a military airfield in 1931
- Established in 1943 as Camp Detrick

- **Cabinet Level Agencies –**

- Department of Defense
- Department of Health and Human Services
- Department of Homeland Security
- Department of Agriculture
- Department of Veterans Affairs

**Largest Employer in Frederick  
County - 7,800**

**38 Mission Partners**

- **1,211 acres –**
  - Main Post (Area A) – 728 acres
  - NCI (NIH)- 68 acres
  - Area B – 399 acres
  - Water and Waste Water Treatment Facility (Area C) – 16 acres





## **FORT DETRICK VISION STATEMENT**

**The Garrison's vision is to be a model DoD organization, sustaining an environment for growth, collaboration and transformation, through dedicated leadership, a quality workforce, technology, and innovation.**

## **FORT DETRICK MISSION STATEMENT**

**The US Army Garrison, Fort Detrick, command, operates, and administers resources providing quality installation support and services to Department of Defense (DoD) and non-Department of Defense partners, meeting current and future mission requirements in biomedical defense research and development, medical materiel management, and global telecommunications.**



# Mission Partners and Activities



## Strategic Missions

- National Biomedical Research and Development
- Joint Medical Materiel Management
- Global Telecommunications

## Other Significant Activities

- Military Medical Intelligence
- Detection of Crop Pathogens
- Information Technology (IM/IT)





# **Mission Partners And Number of Personnel (PN)**



**US Army Garrison – 780 Personnel**

**US Army Medical Research and Materiel Command – 506 PN**

**US Army Medical Materiel Agency – 327 Personnel**

**US Army Medical Research Institute of Infectious Diseases – 857 PN**

**US Army Medical Research Acquisition Activity – 156 PN**

**302D Signal Battalion – 218 PN**

**114<sup>th</sup> Signal Brigade – 265 PN**

**Fort Detrick Engineering Office – 203 PN**

**Naval Medical Logistics Command – 145 PN**

**Joint Medical Logistics Functional Development Center – 162 PN**

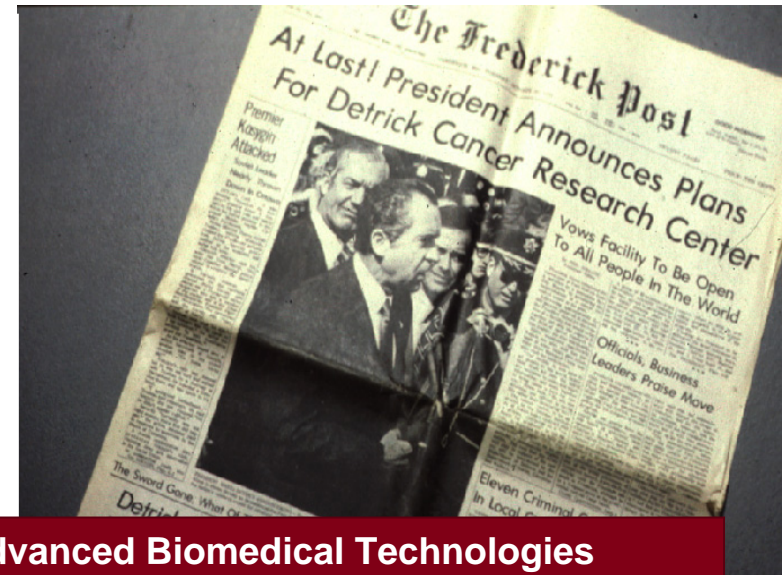
**Armed Forces Medical Intelligence Center**



# National Cancer Institute at Frederick



- The NCI-Frederick conducts research and development activities designed to prevent and cure cancer and AIDS
- Owns 68 acres of land and 111 buildings internal to Fort Detrick
- Separate law enforcement jurisdiction
- Supported by USAG
- 2,555 PN



**Advanced Biomedical Technologies**

**Centers of Excellence in Basic Discovery Research**

**Molecular Targets Discovery and Validation**

**Strategic Biopharmaceutical Competencies**

**Clinical Research Support**

**Research Animal Programs**



# National Interagency Biodefense Campus Development





# National Interagency Biodefense Campus (NIBC) Facilities



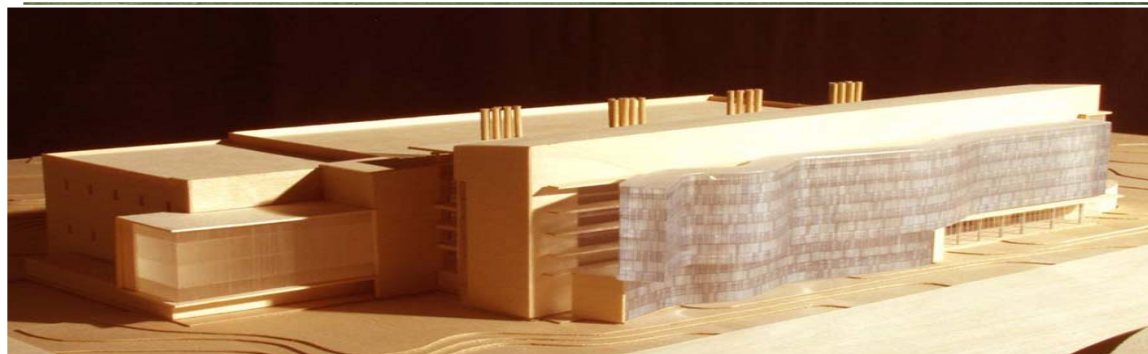
***Construction moving at a rapid pace!***

**Existing USAMRIID**



**NIAID IRF**

**45% Constructed/ Est.  
Completion Summer 2008**



**USAMRIID**

**Stage I - In Design  
Completion Nov 2012 (est.)**



**NBACC**

**Ground Breaking 26 June 2006  
Completion Summer 2008 (est.)**



# Fort Detrick

## National Interagency Biodefense Campus



US Army Corps  
of Engineers®





# Employment Growth

Organization	2007	2008	2009	2010+
Today				7,800
BRAC				225
USAMRIID				550
NIAID		200		
NBACC		120		
Defense Med Log Ctr		45		
VA Clinic		35		
Other	10	20	20	
<b>TOTAL</b>	<b>10</b>	<b>420</b>	<b>20</b>	<b>775</b>
<b>TOTAL NEW EMPLOYMENT</b>				<b>1,225</b>
<b>NCI-FREDERICK (over 3-5 years)</b>				<b><u>200</u></b>
<b>GRAND TOTAL EMPLOYMENT WITH GROWTH</b>				<b>9,225</b>

# Fort Detrick BRAC Recommendations

**Growth of 225 employees**

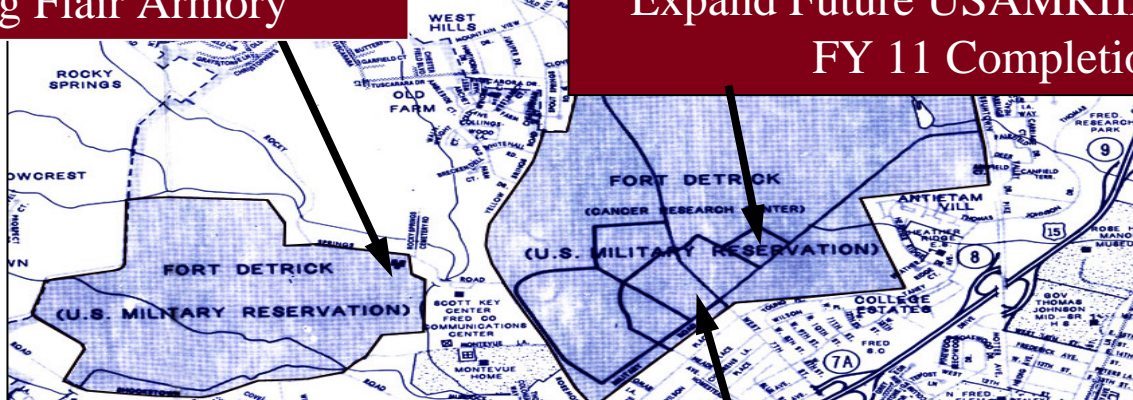
Navy  
Leased Space  
Rockville

WRAIR  
Component  
Forest Glen

Navy  
Component  
Forest Glen

New State-Of-The-Art Reserve Center  
Locate at Area B – FY 08 Completion  
Re-utilize Existing Flair Armory

Medical-Biological Research Center  
Renovate Existing USAMRIID; May  
Expand Future USAMRIID/New Lab  
FY 11 Completion



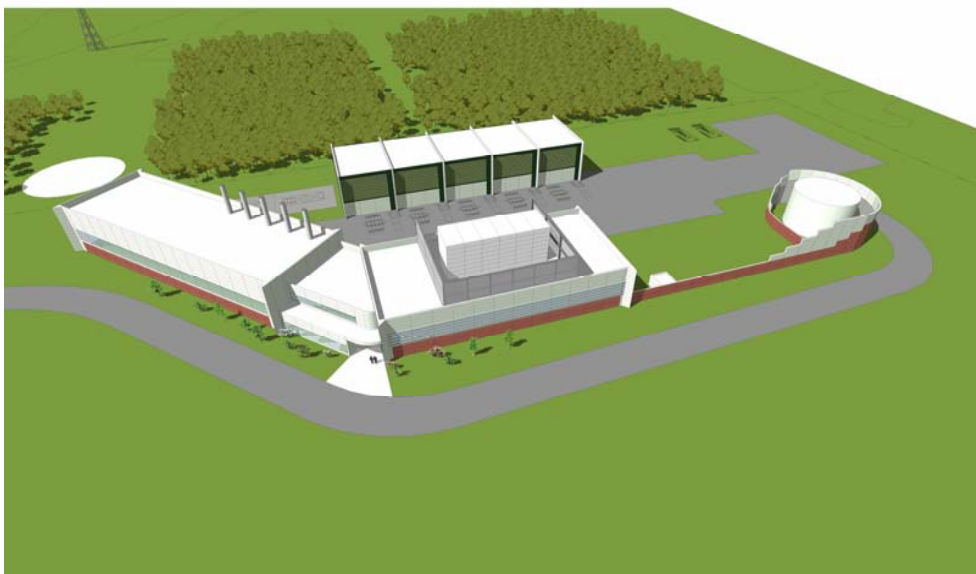
Medical-Biological R&D/Acquisition  
New Administrative Facility – FY 11 Completion

CBMS  
Leased Space  
TJ Drive

Navy  
Component  
Wash D.C.

# Central Utility Plant (CUP)

## Enhanced Use Lease (EUL) Project



 **Central Utility Plant**  
Fort Detrick, Maryland

 STV

- Serves National Interagency Biodefense Campus partners
- Produces more efficient & environmentally friendly power
- First of its kind in U.S. Army
- Chevron Energy & Keenan Development



# Anchor of the Bio-Tech Corridor



## Fort Detrick

Frederick, Maryland



© 2007 Fort Detrick Visual Information

# Tomorrow



## Frederick, Maryland

**Ability to attract by providing educational opportunities & partnerships**

© Fort Detrick Visual Information

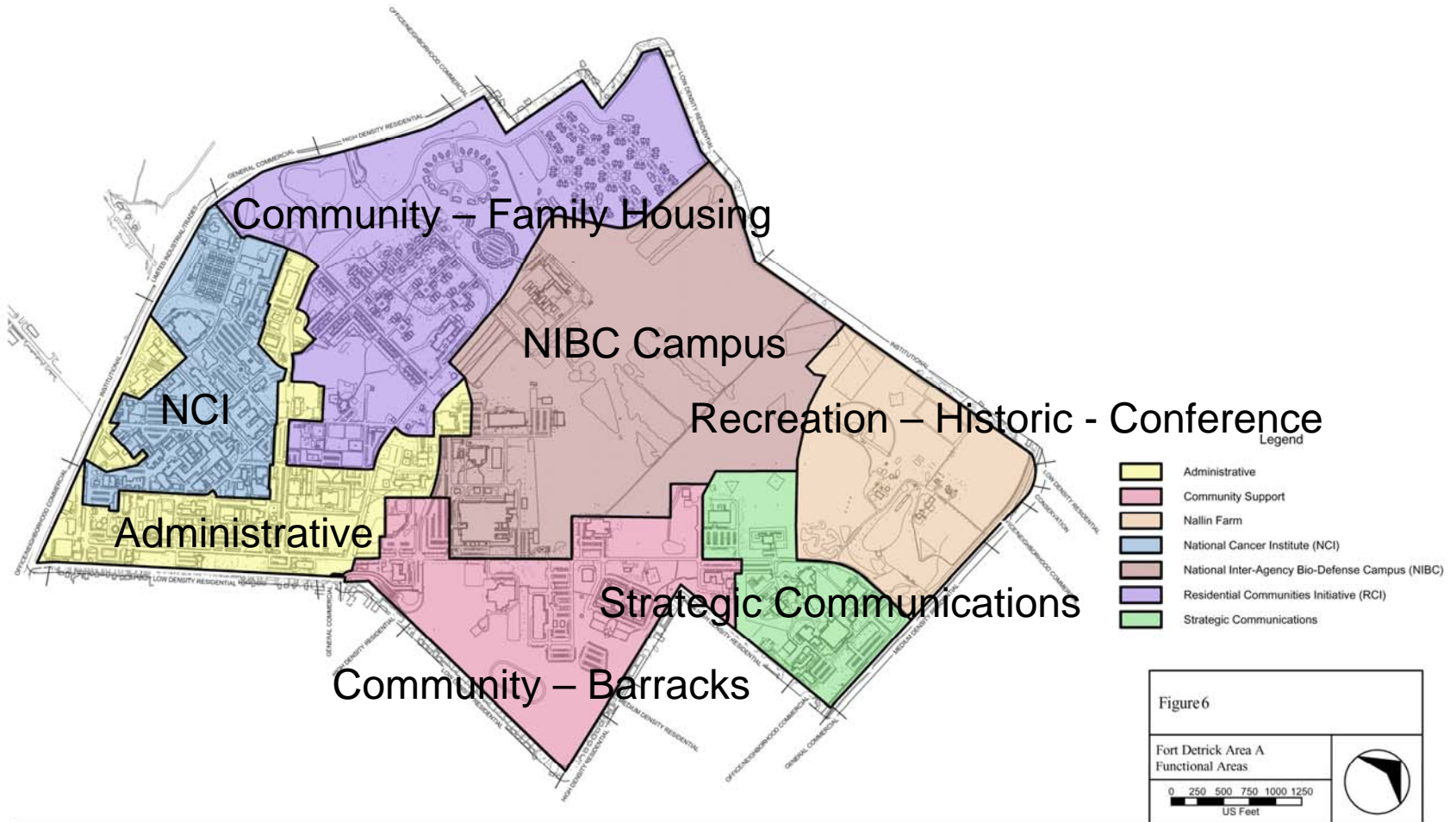
# Master Planning

## Functional Areas



Site Integration Plan & Transportation Overview Plan  
FORT DETTRICK, MARYLAND  
Pre-Final 95% Submittal

July, 2006



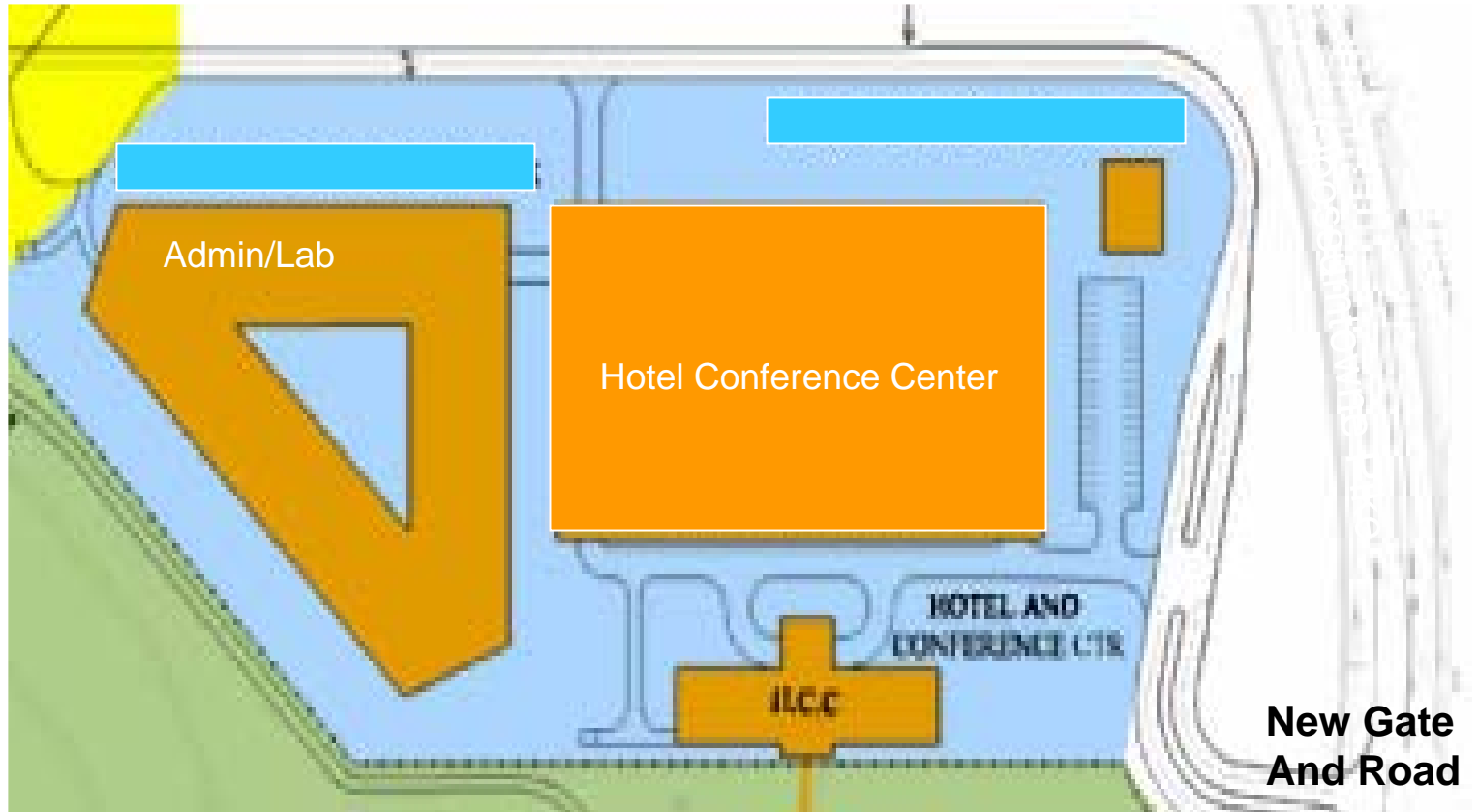
STV Incorporated and John Gallup and Associates



# Fort Detrick



US Army Corps  
of Engineers ®

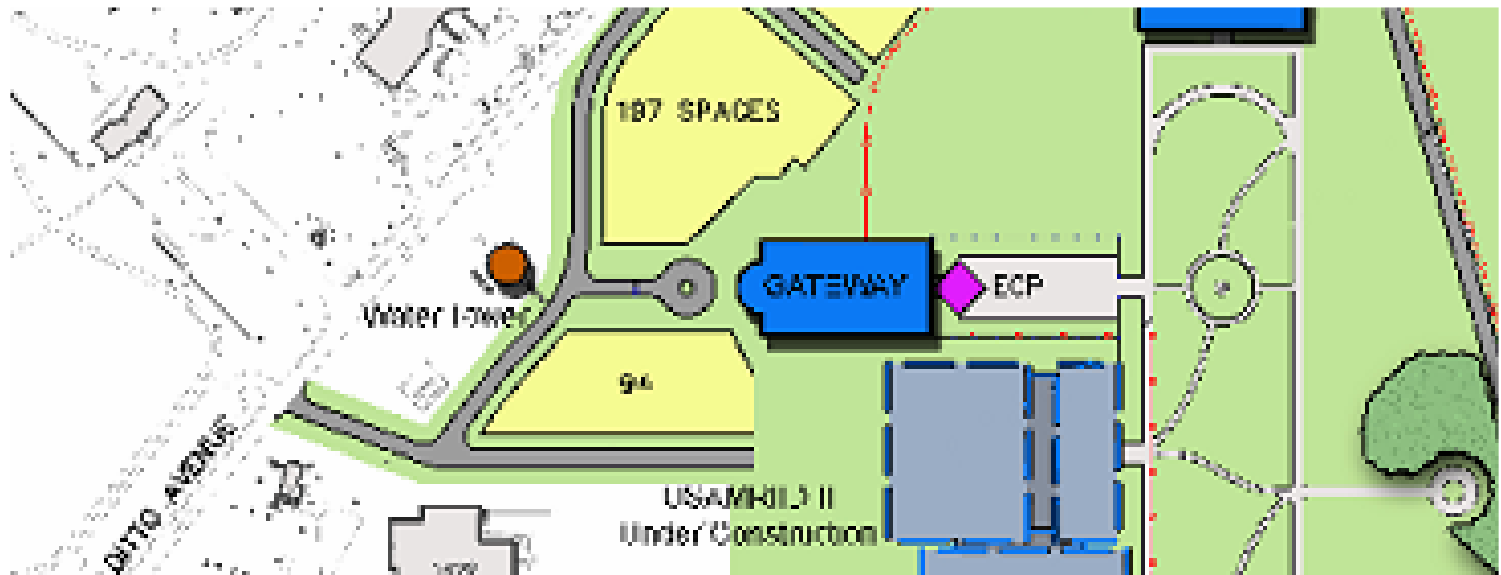




# Fort Detrick



US Army Corps  
of Engineers®





# Fort Detrick



- ❑ ***Create Synergistic Development that Ties in with Installation's Mission***
- ❑ ***Meet Growing Demand of Local Businesses in Surrounding Metropolitan Area***
- ❑ ***Build World Class, State of the Art Facilities***
- ❑ ***Develop Facilities Supported by the Market and Commercial Real Estate Principals***



# Frederick, MD Overview

## Richard Griffin

Director of the Department of Economic Development  
for the City of Frederick, MD

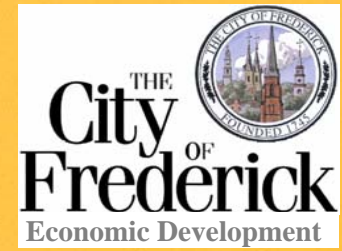
## Laurie Boyer

Frederick County Office of Economic Development



# ECONOMIC DEVELOPMENT BRIEFING

## Fort Detrick – Frederick, Maryland Conference Center Project EUL Industry Forum

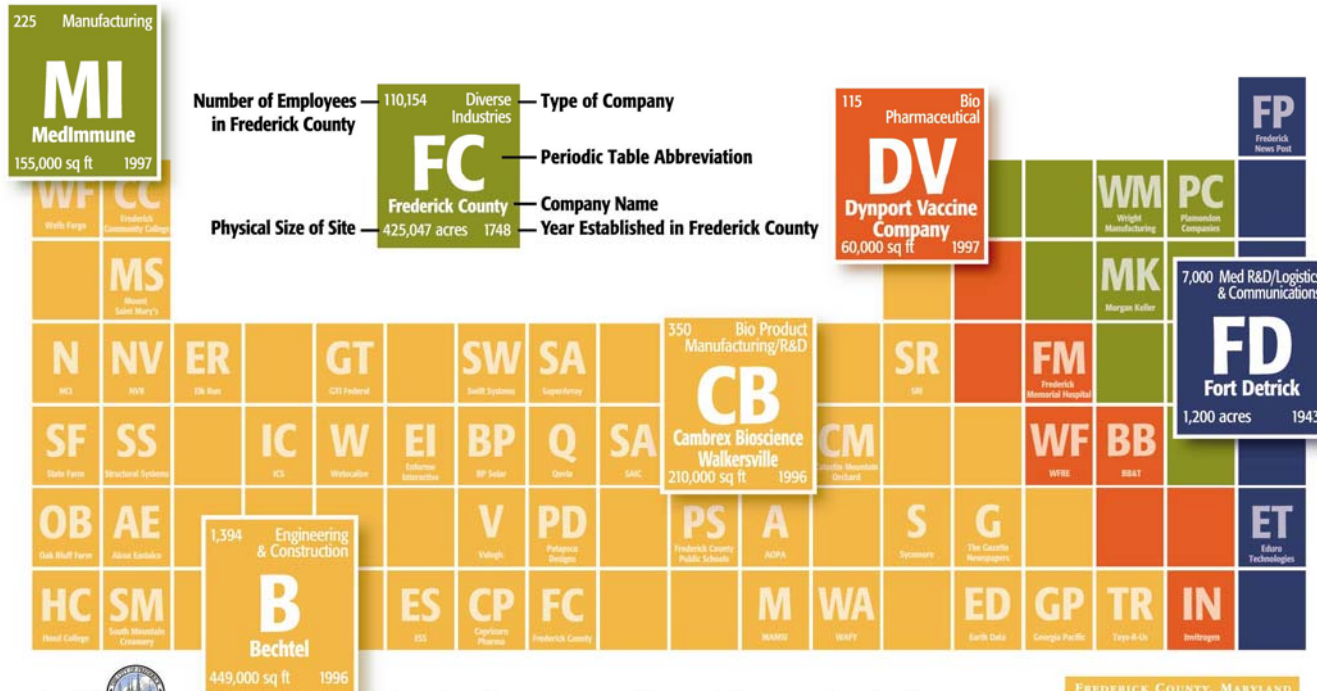


**a great american business destination**

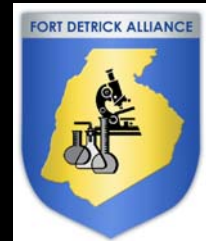
*Frederick*



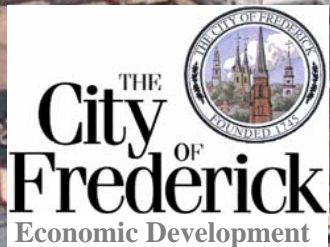
# Be a Major Element in Frederick



See why these companies and thousands of others are excited about being Elements in Frederick!  
[www.discoverfrederickmd.com/element](http://www.discoverfrederickmd.com/element)



# *Live Work Play Frederick*



# ECONOMIC PRIORITIES

- 
- An aerial photograph of a historic red brick building with a prominent white cupola on its roof. The building is surrounded by lush green trees and a well-maintained lawn. In the background, other town buildings and a church steeple are visible, set against a backdrop of rolling hills under a clear blue sky.
- Job Creation (Retention, Expansion, Recruitment)
  - Business Infrastructure Development
  - Downtown Revitalization
  - Corridor Revitalization

# STRONG DEMOGRAPHICS

- Population

- City 58,163
- County 224,502

- Work Force

- City 33,102
- County 123,890

- Households

- City 23,289
- County 81,537

- Avg. Household Income

- City \$66,361
- County \$84,693

\* ©2006 Claritas Inc. estimates

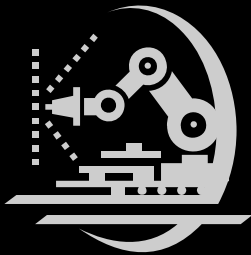
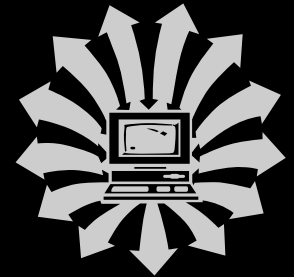


# ECONOMIC ENGINES



Bioscience

Advanced Technology



Manufacturing

Agriculture



Services



Tourism

# JOB GROWTH – FAST FACTS

- Frederick County had the 4th highest number of new jobs created for the State of Maryland from 2002 – 2006 (2<sup>nd</sup> Quarter).
- The average annual employment growth rate for Frederick County is 3.02%, or 2,584 jobs/year.
- Industry sectors with the most growth include: Professional & Business Services, Leisure & Hospitality, and Construction.
- Population of Frederick County has increased an estimated 13% since 2000, to 220,701.

# AVERAGE EMPLOYMENT

## by County (2nd Quarter 2002- 2006)

	2002-2Q Average Employment	2003-2Q Average Employment	2004-2Q Average Employment	2005-2Q Average Employment	2006-2Q Average Employment	2002-2006 Difference	% Change
<b>STATE OF MARYLAND</b>	2,442,002	2,449,025	2,470,605	2,510,031	2,545,448	103,446	4.24%
*****							
ALLEGANY	30,510	30,086	30,080	30,574	30,227	(283)	-0.93%
ANNE ARUNDEL	203,243	206,419	215,688	222,272	226,406	23,163	11.40%
BALTIMORE CITY	370,102	368,454	355,415	352,010	350,627	(19,475)	-5.26%
BALTIMORE COUNTY	362,269	358,218	364,837	372,467	376,990	14,721	4.06%
CALVERT	19,367	20,174	21,140	20,903	21,615	2,248	11.61%
CAROLINE	8,634	8,550	8,676	8,793	8,769	135	1.56%
CARROLL	50,961	50,833	52,318	54,436	56,465	5,504	10.80%
CECIL	27,453	27,616	28,717	29,837	30,594	3,141	11.44%
CHARLES	37,751	38,553	40,123	40,487	42,106	4,355	11.54%
DORCHESTER	11,283	11,483	12,324	12,166	11,909	626	5.55%
<b>FREDERICK</b>	<b>83,240</b>	<b>86,818</b>	<b>89,536</b>	<b>92,124</b>	<b>93,314</b>	<b>10,074</b>	<b>12.10%</b>
GARRETT	10,679	10,941	11,242	11,631	11,907	1,228	11.50%
HARFORD	71,646	73,839	78,175	81,314	83,266	11,620	16.22%
HOWARD	134,775	135,528	138,088	139,028	144,410	9,635	7.15%
KENT	8,280	7,874	8,214	8,242	8,556	276	3.33%
MONTGOMERY	454,198	452,169	450,888	460,681	466,000	11,802	2.60%
PRINCE GEORGE'S	306,518	311,396	313,150	314,533	314,967	8,449	2.76%
QUEEN ANNE'S	11,872	12,681	13,047	13,094	13,698	1,826	15.38%
SAINT MARY'S	35,676	37,038	37,916	37,611	38,428	2,752	7.71%
SOMERSET	6,923	7,023	6,975	6,988	7,296	373	5.39%

# AVERAGE WEEKLY WAGES

## By County (2nd Quarter 2002-2006)

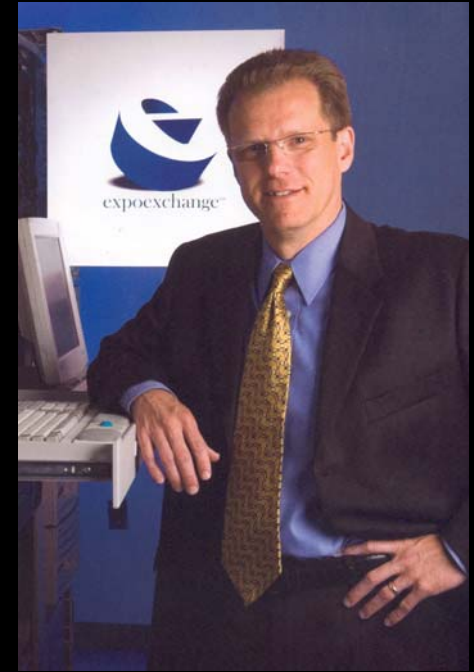
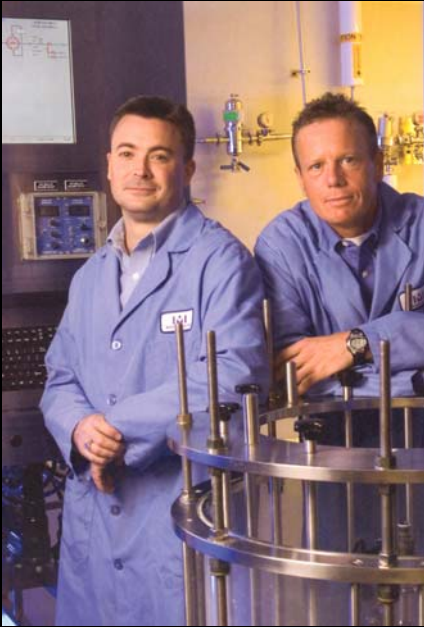
	2002-2Q	2003-2Q	2004-2Q	2005-2Q	2006-2Q	2002-2006	%
	Average Weekly Wage/Worker	Average Weekly Wage/Worker	Average Weekly Wage/Worker	Average Weekly Wage/Worker	Average Weekly Wage/Worker	Difference	Change
<b>STATE OF MARYLAND</b>	\$738	\$761	\$786	\$817	\$854	\$116	15.72%
*****							
ALLEGANY	\$492	\$505	\$529	\$547	\$572	\$80	16.26%
ANNE ARUNDEL	\$712	\$737	\$760	\$788	\$829	\$117	16.43%
BALTIMORE CITY	\$783	\$803	\$841	\$871	\$914	\$131	16.73%
BALTIMORE COUNTY	\$700	\$721	\$734	\$769	\$811	\$111	15.86%
CALVERT	\$639	\$653	\$653	\$657	\$696	\$57	8.92%
CAROLINE	\$481	\$506	\$538	\$558	\$558	\$77	16.01%
CARROLL	\$542	\$561	\$584	\$602	\$623	\$81	14.94%
CECIL	\$651	\$696	\$703	\$720	\$765	\$114	17.51%
CHARLES	\$575	\$598	\$608	\$655	\$675	\$100	17.39%
DORCHESTER	\$510	\$514	\$536	\$562	\$602	\$92	18.04%
<b>FREDERICK</b>	<b>\$642</b>	<b>\$678</b>	<b>\$703</b>	<b>\$715</b>	<b>\$751</b>	<b>\$109</b>	<b>16.98%</b>
GARRETT	\$439	\$445	\$457	\$478	\$486	\$47	10.71%
HARFORD	\$630	\$668	\$703	\$704	\$710	\$80	12.70%
HOWARD	\$773	\$797	\$830	\$871	\$902	\$129	16.69%
KENT	\$485	\$517	\$519	\$563	\$586	\$101	20.82%
MONTGOMERY	\$894	\$917	\$950	\$990	\$1,035	\$141	15.77%
PRINCE GEORGE'S	\$752	\$775	\$794	\$827	\$853	\$101	13.43%
QUEEN ANNE'S	\$490	\$505	\$544	\$553	\$561	\$71	14.49%
SAINT MARY'S	\$758	\$790	\$834	\$862	\$934	\$176	23.22%
SOMERSET	\$525	\$529	\$565	\$592	\$630	\$105	20.00%
TALBOT	\$533	\$546	\$564	\$587	\$613	\$80	15.01%
WASHINGTON	\$558	\$580	\$603	\$618	\$643	\$85	15.23%
WICOMICO	\$559	\$567	\$592	\$622	\$639	\$80	14.31%
WORCESTER	\$389	\$411	\$425	\$449	\$472	\$83	21.34%
NONDISTRIBUTABLE	\$1,027	\$1,091	\$1,131	\$1,217	\$1,297	\$270	26.29%

Source: Maryland Department of Labor, Licensing and Regulation

# SELECT 2006 NEW AND EXPANDED BUSINESSES

- Lockheed Martin
- General Dynamics
- Biogenova
- Advanced Products Enterprise
- Wild Goose Brewery
- Frederick Wine Cellars
- EPC Global
- Emmitsburg Glass
- FEMA
- Kaiser Permanente
- Frederick Memorial Healthcare Systems
- ...and many more

# BUSINESS DIVERSITY



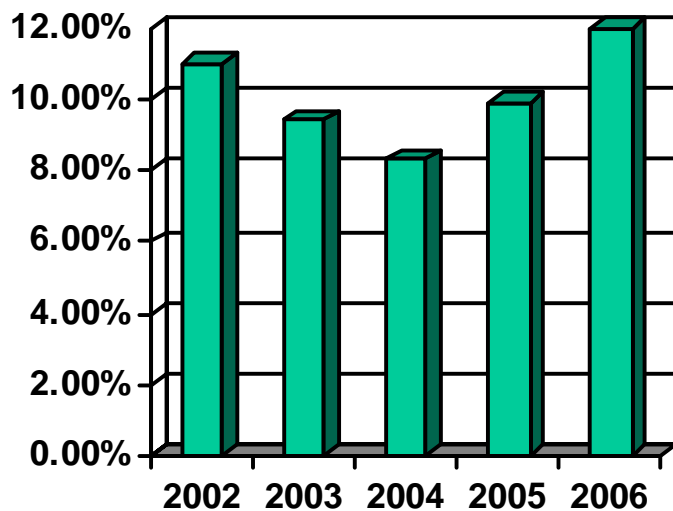
# FREDERICK INNOVATIVE TECHNOLOGY CENTER (FITCI) Hi-Tech Business Incubator

- 2 Locations – Hood College & Monocacy
- 20,000 office space, wet lab, shared labs, conference rooms, etc.
- 23 physical and virtual clients
- Plans to open a 50,000 square feet permanent facility within 5-7 years



# VACANCY RATES

## Office, Flex and Industrial

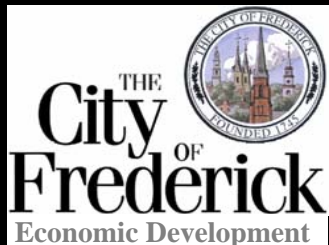


Source: CoStar Group

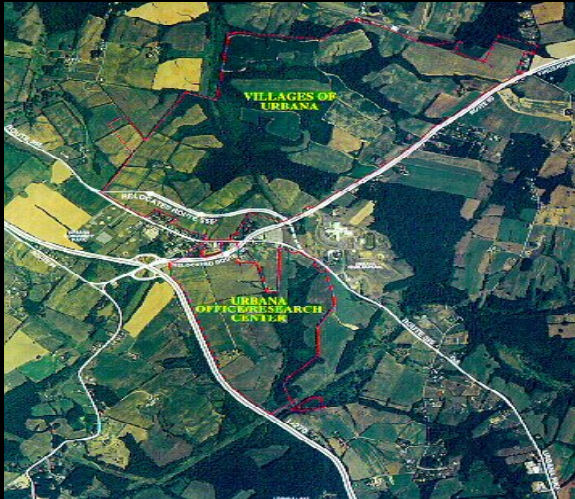
- 4 Qtr (2006):
  - Total Vacancy Rate: 12.7 %
    - Office: 11.5 %
    - Flex: 13.7 %
    - Industrial: 13.0 %
- A total of 40 buildings were delivered totaling over 2 million square feet from 2002 to 3<sup>rd</sup> quarter 2006.
- Average Lease Rates:
  - Office: \$23 / full service
  - Flex: \$12 / triple net
  - Industrial: \$7.40 / triple net

# ECONOMIC DEVELOPMENT Programs/Initiatives

- Site Selection Assistance
- Tax Increment Financing (TIF) Districts for Infrastructure
- Redevelopment Tax Credit Programs
- Small Business Revolving Loan Fund
- Fast Track Permitting
- Customized Recruitment/Job Fairs
- Downtown Main Street Programs



# SELECT TECHNOLOGY PARKS



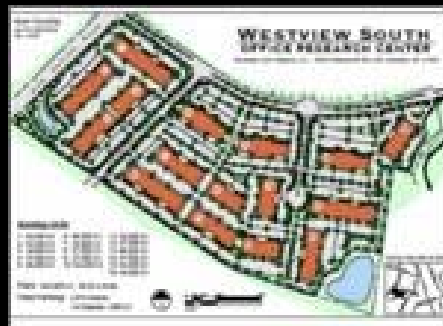
Urbana ORI Park



270 Technology Park



Jefferson Tech Park



Westview South



Riverside  
Corporate Park

# MAJOR EMPLOYERS

Company	Employees
Fort Detrick Campus	7,900
Frederick Memorial Healthcare	2,400
SAIC	2,000
United Health Care	1,565
Wells Fargo Home Mortgage	1,148
Frederick Community College	1,141
State Farm Insurance Co.	950
BP Solar	500
MedImmune	225

# FORT DETRICK

## 38 Tenant Agencies/ 7,900 Jobs

- National Interagency Biodefense Campus
- USAMRIID
- National Cancer Institute

## Major missions include

- Human and Botanical R&D
- Global Telecommunications
- Medical Logistics Management

\$1B in goods and services annually

\$3B+ in new construction

Contributes \$520M to local economy



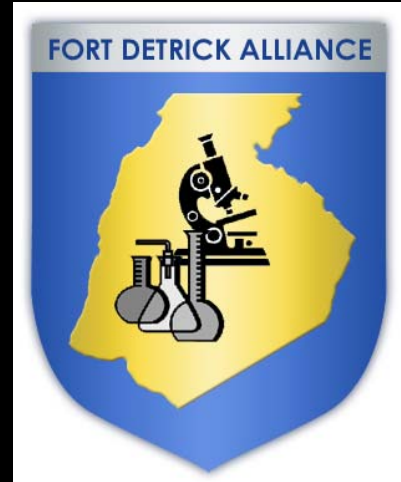
# FORT DETRICK BUSINESS DEVELOPMENT OFFICE (FDBDO)



- Mission is to assist companies obtain contracts/subcontracts on Fort Detrick
- FDBDO has met with over 900 companies and have a database with over 1,600 contacts (Nov. 06).
- Had a positive influence on \$35+ million in business contracts, much of it to local Frederick firms.

# FORT DETRICK ALLIANCE

- 501 (c)4 organization with 60 corporate and individual sponsors including the City of Frederick, Frederick County, and the State of Maryland.
- Purpose is to facilitate communication and understanding between Federal Agencies at Fort Detrick and community at large
- Advocate on behalf of community for continued funding and support of Fort Detrick and its mission.
- [WWW.FORTDETRICKALLIANCE.ORG](http://WWW.FORTDETRICKALLIANCE.ORG)



# ROADS

Frederick - FDK

Baltimore - BWI

51 miles – Interstate 70

Maryland  
Technology Triangle

Frederick is the Northern Anchor of  
I-270 Technology Corridor

50 miles – Interstate 270

Montgomery  
County

44 miles – Interstate 95

Dulles - IAD

Washington, D.C. - DCA

# KEY ROAD PROJECTS

- EAST STREET/I-70 INTERCHANGE  
\$90 MILLION (under construction)
- MONOCACY BOULEVARD CENTER SECTION -  
\$16 MILLION (alignment/design)
- RT. 15/MONOCACY BLVD INTERCHANGE  
\$7.5 MILLION (in planning/engineering)
- RT. 180/351 - I-70 BRIDGES  
\$ TBD (project planning)

# RAIL

## Maryland Area Rail Commuter (MARC)

Downtown Frederick MARC Station



Daily rail service Union Station

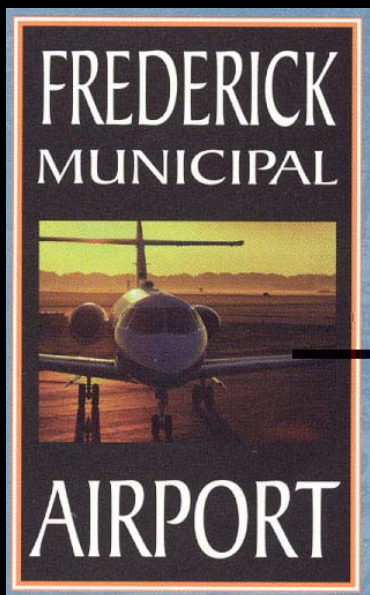


# AIR



## FREDERICK MUNICIPAL AIRPORT (FDK)

... one of the finest general aviation airports in the Eastern US and an essential part of Frederick's economy



- ✈ Serves 300 businesses and handles 150,000 annual aircraft operations
- ✈ \$60 million estimated economic impact in the Frederick community
- ✈ Instrument Landing System (ILS)
- ✈ 5,220' runway for modern jet aircraft with ILS - (expanding to 6,000 feet)
- ✈ Home of great businesses like Frederick Aviation, Advanced Helicopters, AOPA, and MD State Police Air Medevac Facility

# **Some Major Projects Currently Underway ...**

# NATIONAL INTERAGENCY BIODEFENSE CAMPUS @ FORT DETRICK



## Projected Construction

- **National Institute of Infection Disease — NIAID** (above). Under construction, \$125+ million.
- **USAMRIID** (site plan to above right). Construction to start next year, \$1 billion.
- **NBACC**. Under construction, \$150+ million (right).
- **Other Buildings**. A billion dollars of construction **New High Tech Jobs**. Estimate — 1,000-4,000. 1,200 acres available for expansion.



Biodefense Campus



National Biodefense Analysis &  
Countermeasures Center (NBACC) 48

# WELLS FARGO HOME MORTGAGE @ Riverside Corporate Park



## Wells Fargo Home Mortgage

- 1,500 Employees
- 300,000 sf building
- Opening in Spring, 2007
- \$50 million project



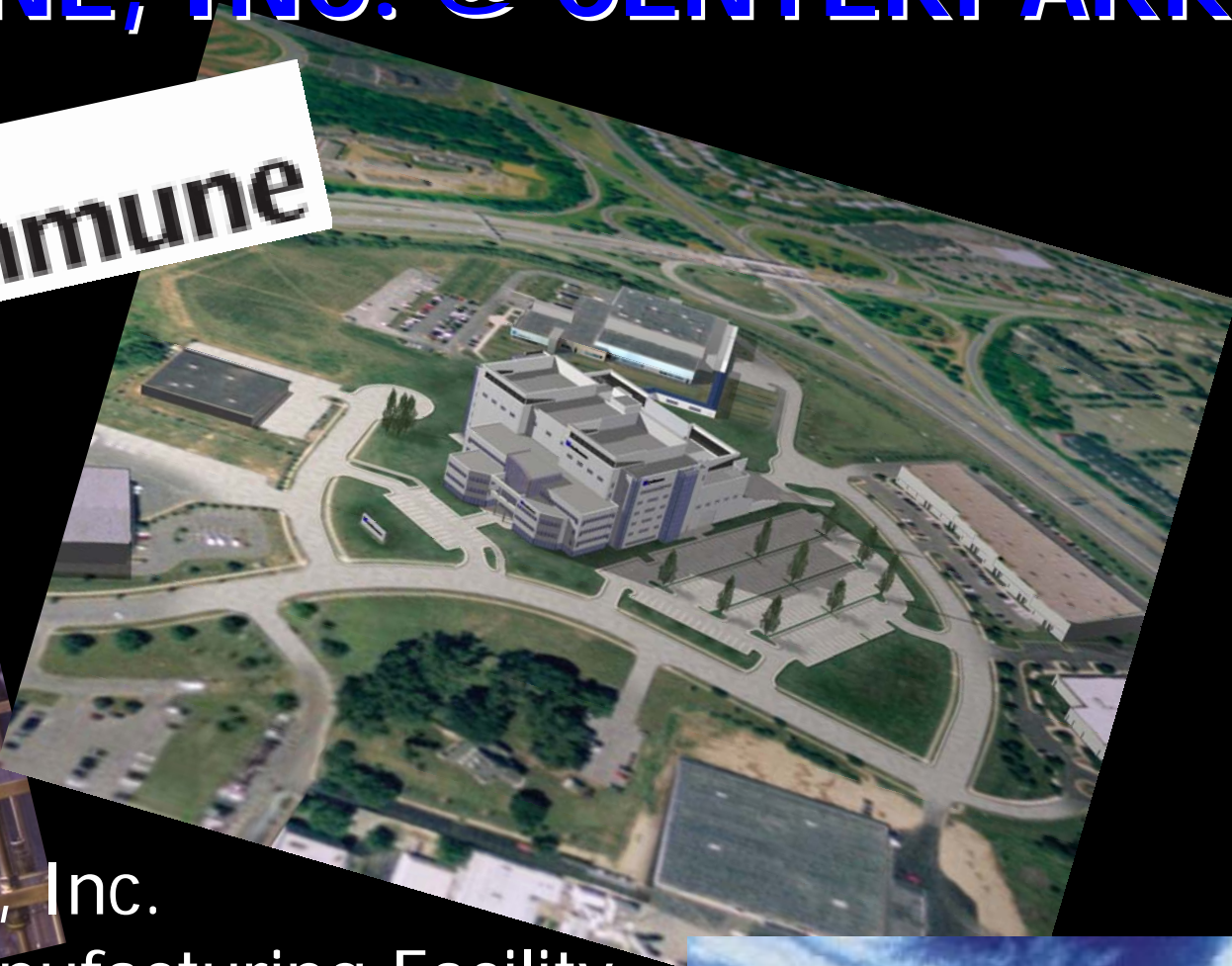
# MEDIMMUNE, INC. @ CENTERPARK

 MedImmune



MedImmune, Inc.

- New Manufacturing Facility
- 200 new employees
- Completion in Fall, 2008
- \$250 million project



# ALDI, INC @ RIVERSIDE CORPORATE PARK



Aldi, Inc.

- 498,000 sf distribution center
- Open June, 2007
- \$27 million project

# FREDERICK NEWS POST @ BALLENGER CENTER



## Randall Family, LLC breaks ground for new building

Published on April 19, 2006

By Liam Farrell  
News-Post Staff

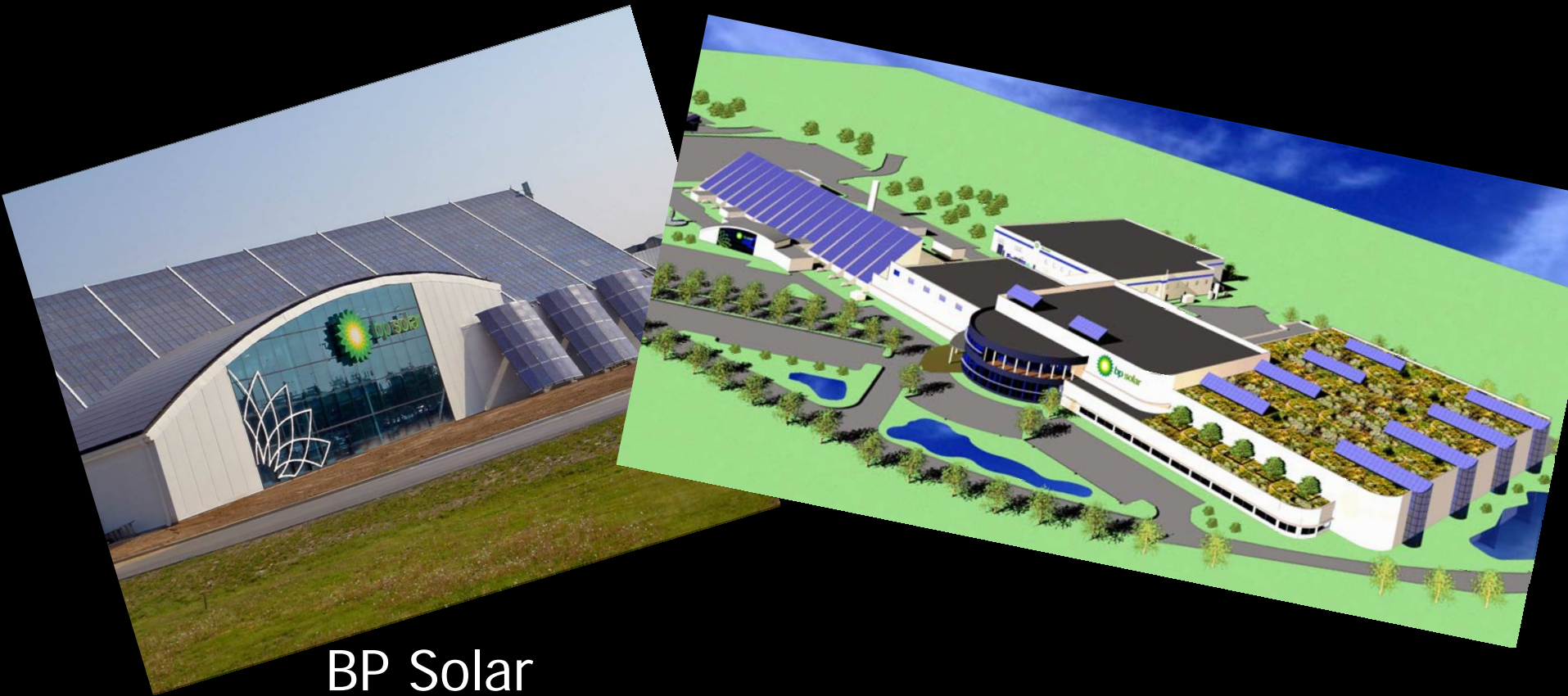
**FREDERICK--** Randall Family, LLC broke ground Tuesday for a new \$44 million office building and manufacturing plant that will house all three of its firms.



## Randall Family, LLC

- 200+ employees
- 160,000 sf building
- Open, Spring, 2008
- \$44 million project

# BP SOLAR @ CENTERPARK



## BP Solar

- 140,000 sf expansion
- 70 New Employees
- \$70 million dollar investment
- Groundbreaking Spring, 2007

# QUALITY OF LIFE

## Arts, Culture, Entertainment, Recreation

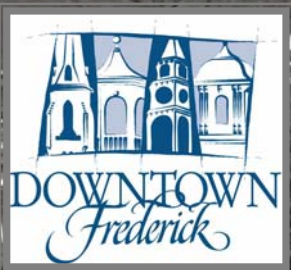


- Frederick Keys Baseball
- Award Winning Parks & Recreation
- Award Winning Neighborhoods
- Blue Ribbon Schools
- Downtown Gallery Walks
- Holidays in Downtown Frederick
- Cultural Arts Center
- Maryland Ensemble Theater
- Weinberg Center for the Arts
- Festival of the Arts
- In The Street Festival
- Summer Concert Series



# Downtown Frederick

## *The Clustered Spires*



*“Frederick is a Masterpiece in Maryland”*

*New York Times*

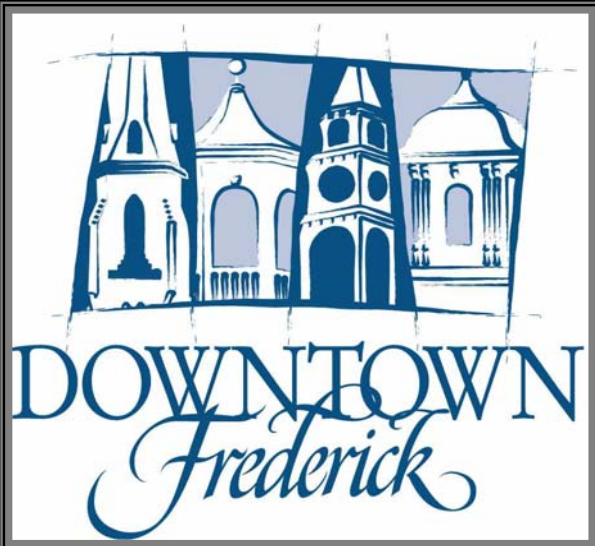


# DOWNTOWN FREDERICK



**Great American Main Street Award** (National Trust, 2005)

**“Dozen Distinctive Communities”** (National Trust, 2002)



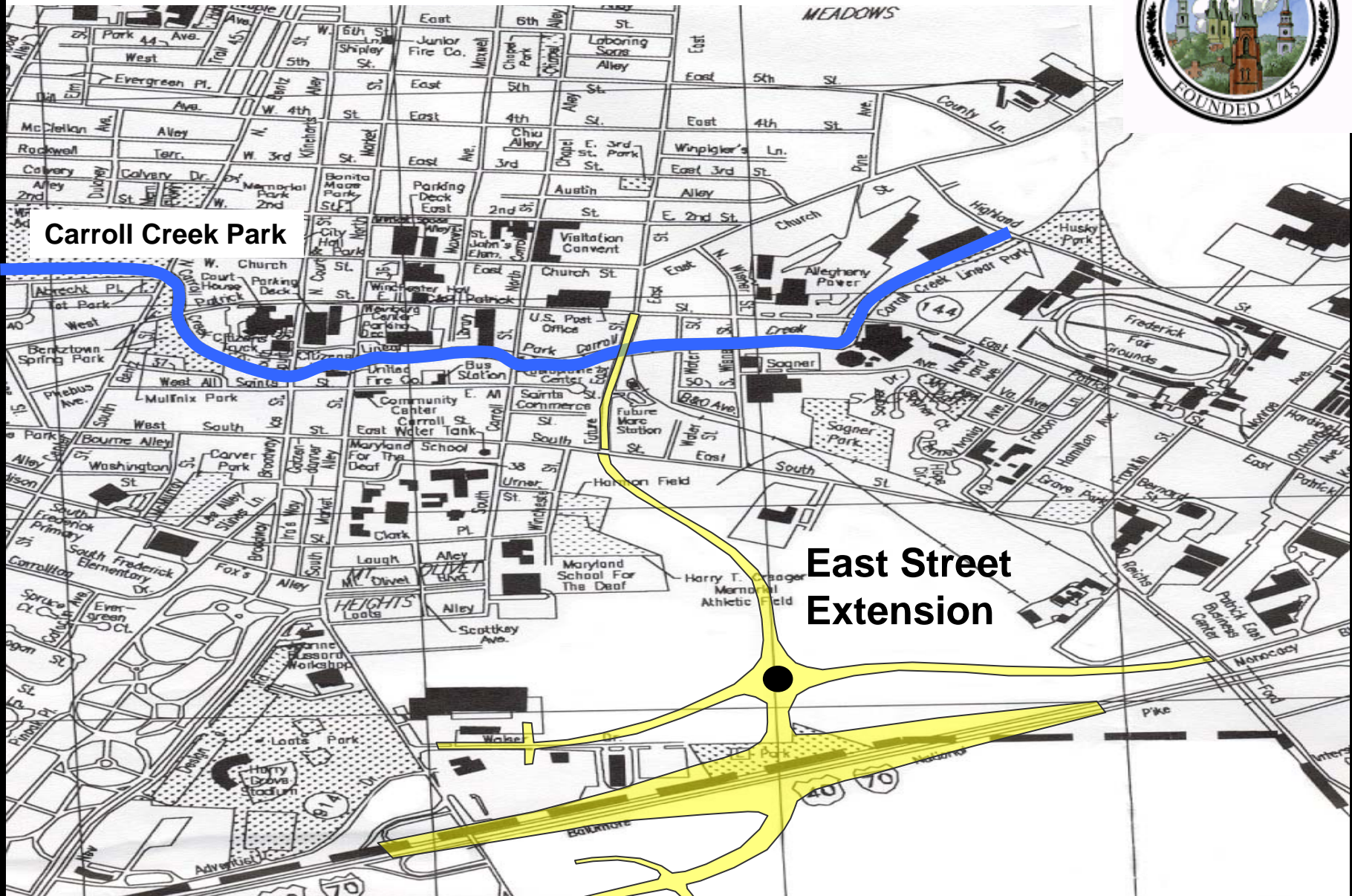
# DOWNTOWN IS VIBRANT



- Assessed value is over \$603 million
- More than \$155 million planned, approved, or under way
- 600 Businesses & Organizations employing 5,000 people



# DOWNTOWN FREDERICK



**Carroll Creek Park**

**East Street  
Extension**

# CARROLL CREEK PARK



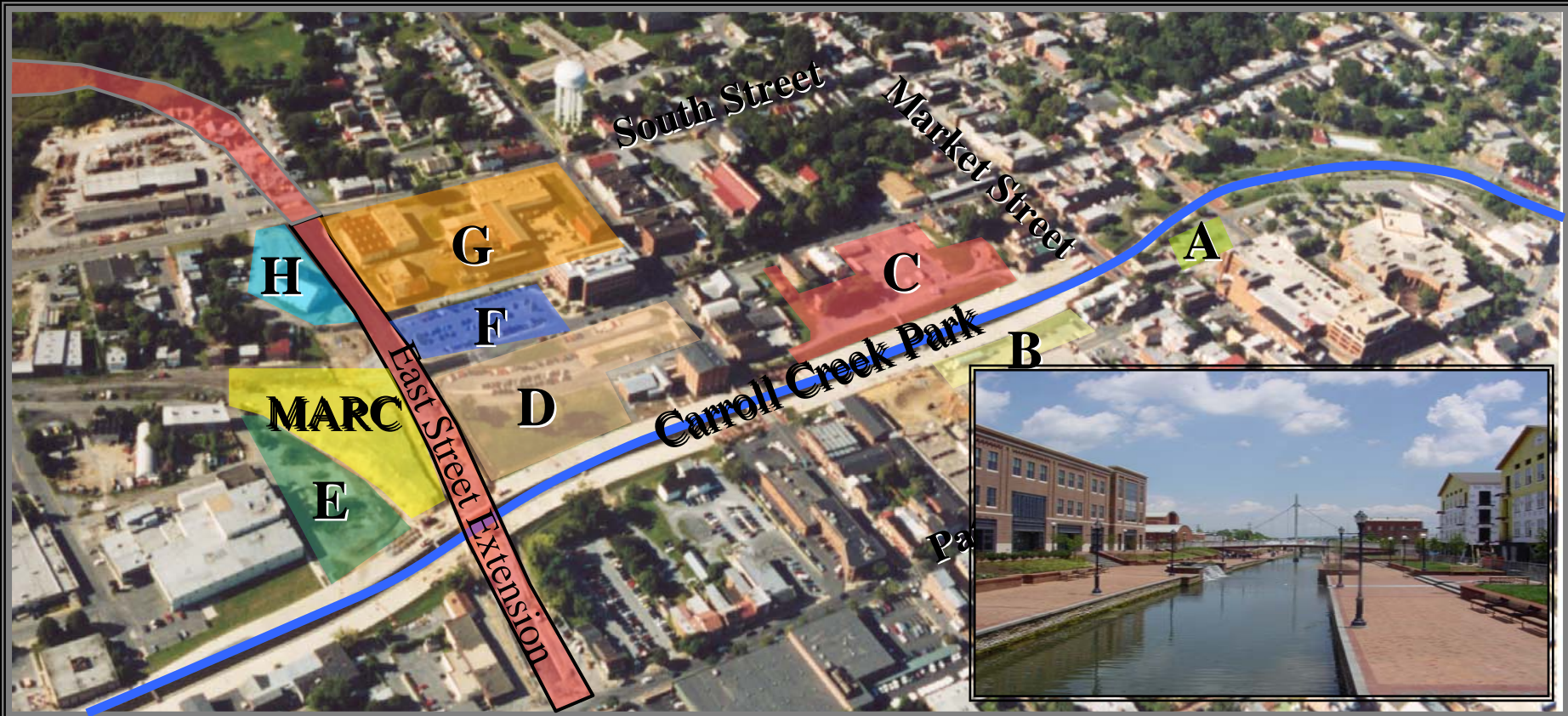
*Festivals, Recreation, Cultural Amenities*

***WIRELESS HOT ZONE\****

*(Wireless services provided pro-bono by Eduro Technologies)*

# CARROLL CREEK PARK

- 405,000 sf office space
- 150,000 sf retail space
- 350 to 600 MF residential units
- 2,200 structured parking spaces
- 1,500 new jobs
- \$150+ million private investment

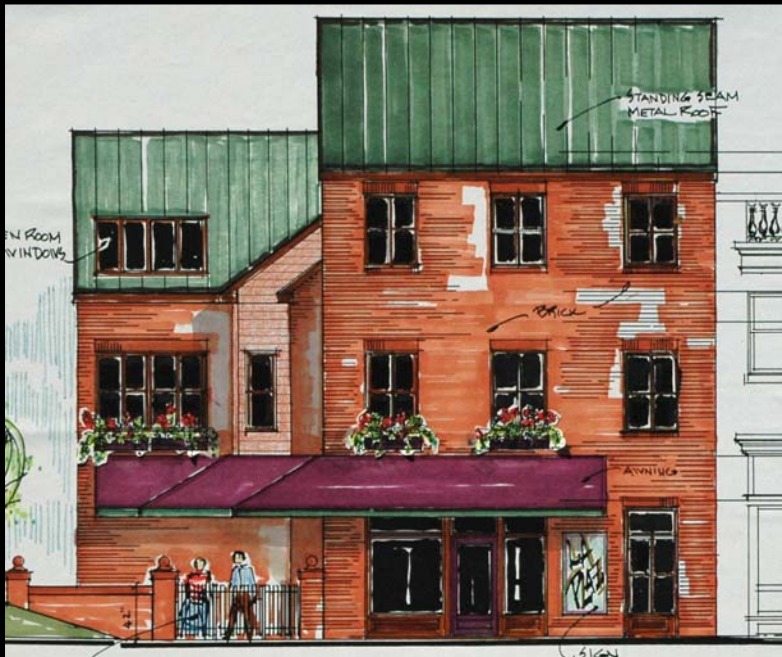


# New Construction - Completed

## LaPaz Restaurant

Nueva Vida, LLC

200 seat full-service  
Mexican Restaurant



## Creekside Plaza

Creekside Plaza, LLC

90,000 sf

Office/Commercial/Residential

New tenants include Green Turtle  
Restaurant and Wachovia Bank



# New Construction - Completed

South Market Center  
Main Street Development, LLC  
43,000 sf Office/Commercial  
30+ Parking Spaces



Retail tenants include Ben & Jerry's, Hinode Japanese Restaurant and Five Guys

Maxwell Place  
K. Hovnanian Homes  
67 Multi-Family Condo Units  
200 Parking Spaces



# The City of Frederick

## Economic Development

*101 North Court Street*

*Frederick, MD 21701*

*301-600-6360*

*[www.cityoffrederick.com/ded](http://www.cityoffrederick.com/ded)*

# Frederick County

## Economic Development

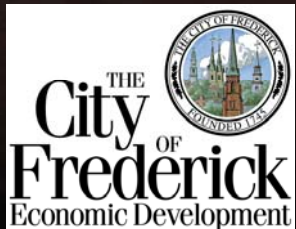
*5340A Spectrum Drive*

*Frederick, MD 21703*

*301-600-1058*

*[www.discoverfrederickmd.com](http://www.discoverfrederickmd.com)*

*No matter what your perspective,  
it all points to Frederick*





# Fort Detrick - Enhanced Use Leasing Opportunity

**Kim Marchand**

Managing Director, Advisory Services  
Capitol CREAG, LLC





# Fort Detrick - Enhanced Use Leasing Overview

- Market Context
- Project Goals
- Benefits
- Development Opportunity
  - Site #1: Gateways Site with Administrative and Retail Space
  - Site #2: Hotel/Conference Center, with Laboratory, and Office
- Critical Issues





# Fort Detrick - Enhanced Use Leasing Market Context

- **Demand**

- State-of-the-art conference center/meeting space available for local businesses, and organizations housed at Fort Detrick
- Inside the fence line amenities, including retail and administrative space
- Laboratory and office space near installation, and in proximity to I-270 corridor

- **Growth**

- Local government officials support business attraction and retention
- The Frederick Office/Lab space market posted highest gain in net absorption along the I-270 corridor
- New development and tenants at Fort Detrick, and in Frederick County over next 3-5 years
- 9,225 military, government and civilian workers by 2010 at Fort Detrick, including 1,425 new workers in next 3-4 years





# Fort Detrick - Enhanced Use Leasing Market Context

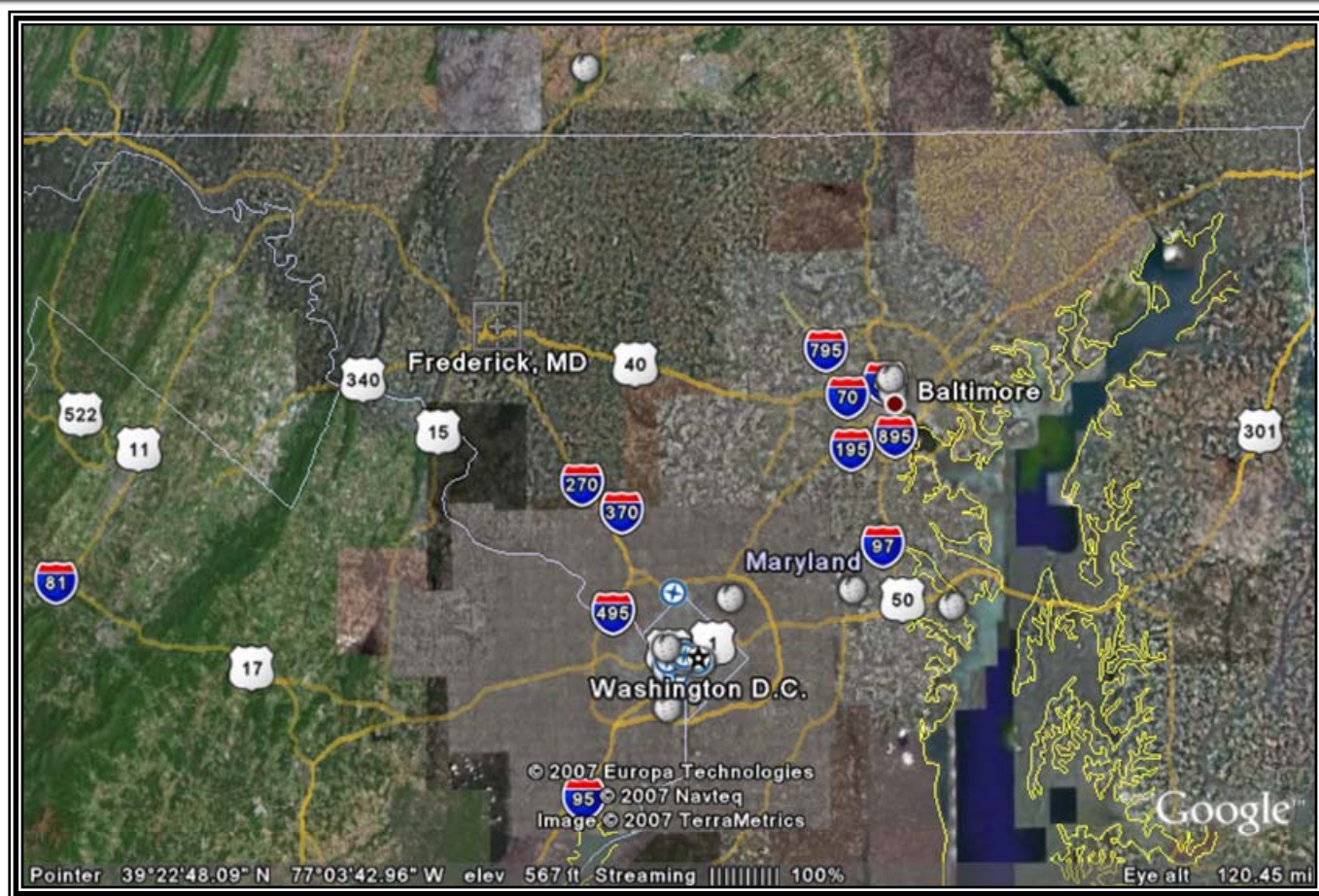
- **Location**

- Frederick is the second fastest growing county in Maryland
- Fort Detrick is easily accessible to major interstate highways
- Installation is a one hour drive from the Washington D.C. metro area and Baltimore, MD
- Fort Detrick is the anchor of the Biotech corridor, along I-270



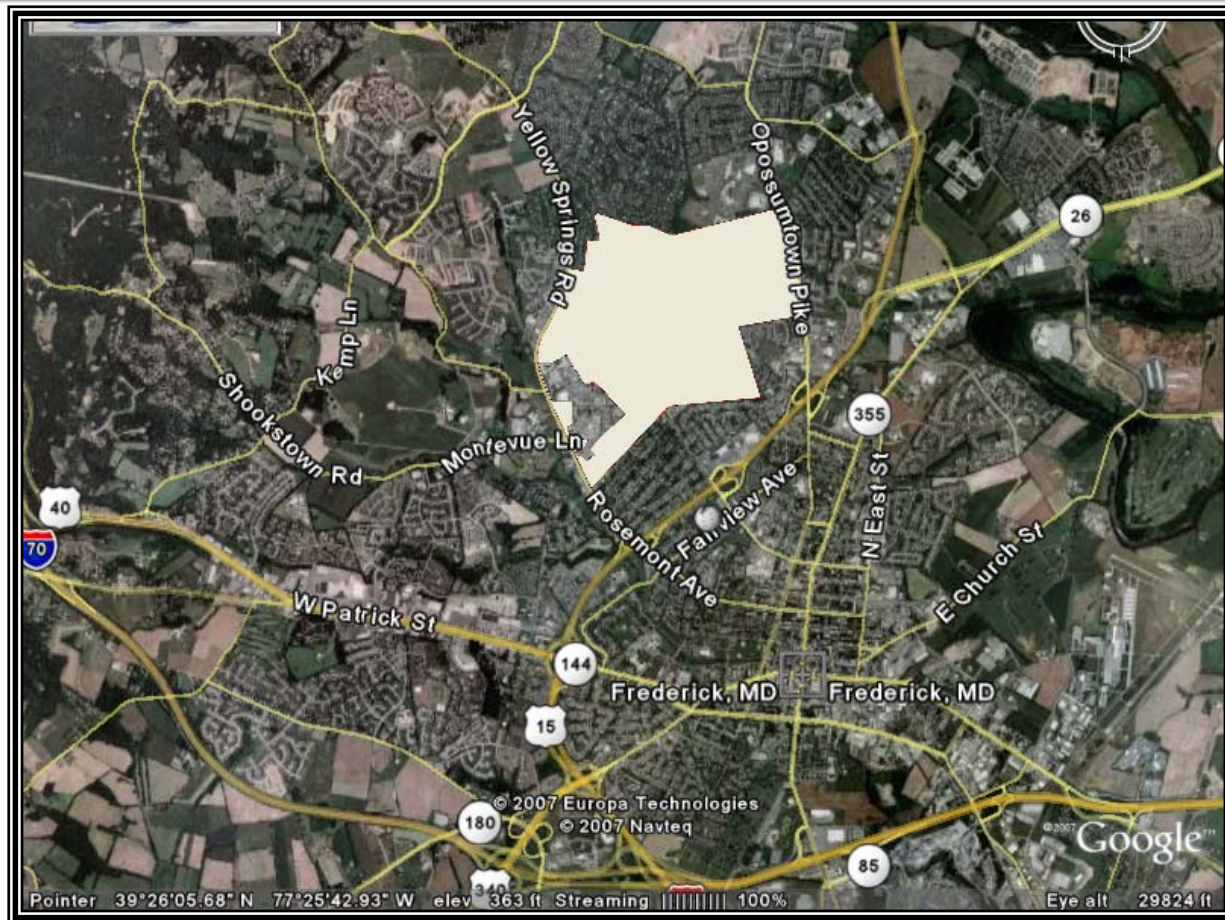


# Fort Detrick - Enhanced Use Leasing Vicinity Map





# Fort Detrick - Enhanced Use Leasing Vicinity Map





# Fort Detrick - Enhanced Use Leasing Project Goals

- Lease two parcels of land to private developer to develop office, laboratory, retail, and hotel / conference center facilities for prospective end users
- Allow Fort Detrick to utilize in-kind consideration generated by the project to further enhance the quality of life for those working at and served by the installation
- Employ the best commercial practices to the benefit of both the Army and the Developer





# Fort Detrick - Enhanced Use Leasing Benefits

- **Private Sector Benefits**
  - Market rate return
  - Access to market demand (military, federal, and civilian)
  - Tap high, stable demand within a constrained market
- **Government Benefits**
  - Support Fort Detrick with in-kind considerations
  - Obtain no less than fair market value for lease of government-owned land





# Fort Detrick - Enhanced Use Leasing Development Opportunity

## Project Concept

- Long-term relationship between Developer and Army, where Developer/Manager
  - Leases two parcels of land
  - Secures financing
  - Develops, maintains, and manages office, retail, laboratory and hotel/conference center facilities
  - Secures and negotiates with tenants
  - Provides Fort Detrick in-kind consideration of no less than the fair market value of the leased asset





# Fort Detrick - Enhanced Use Leasing Development Opportunity

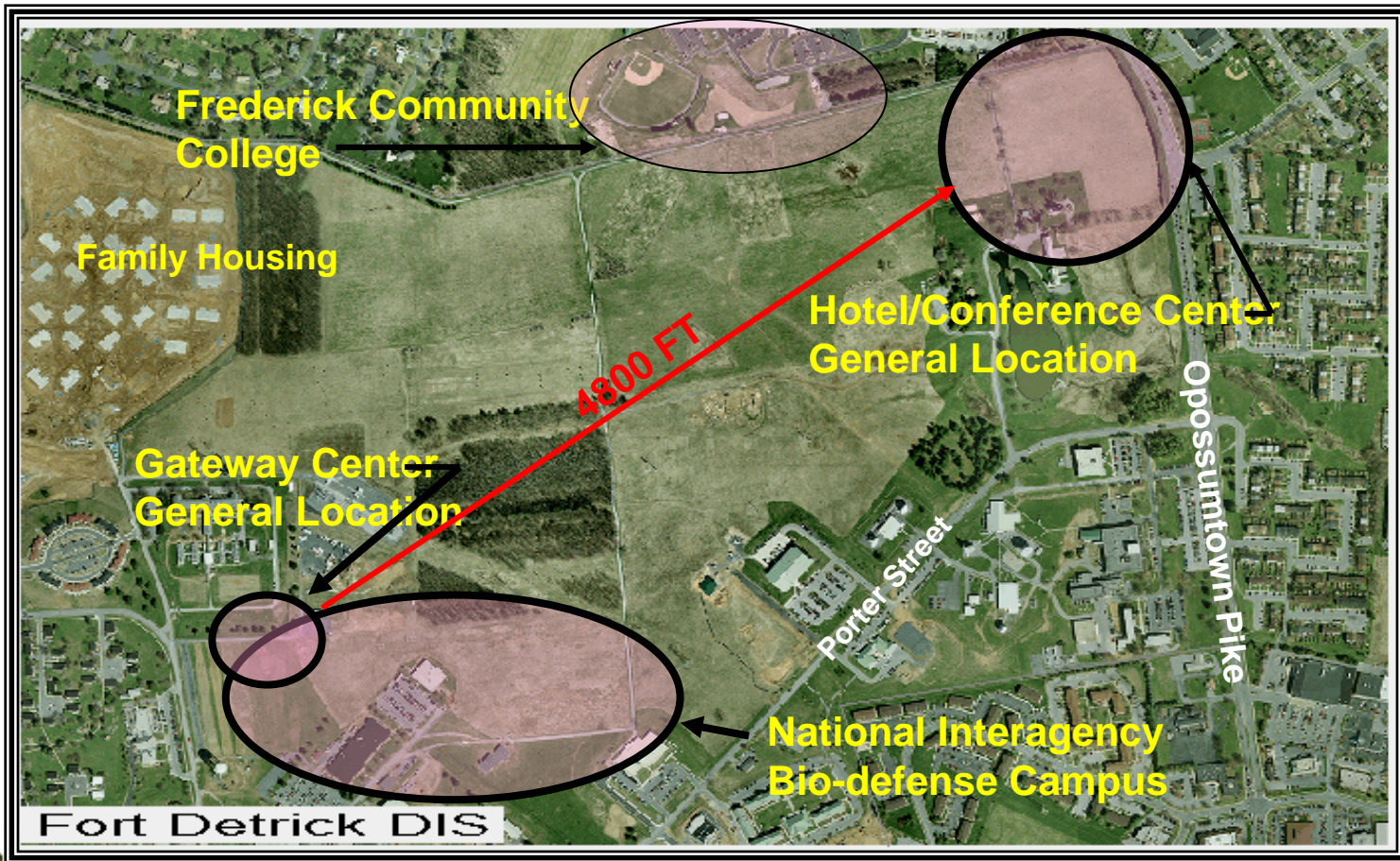
## Development Sites

- Site #1: Gateway Center with Administrative and Retail Space
- Site #2:
  - a. Hotel Conference Center
  - b. Office and Laboratory Facilities



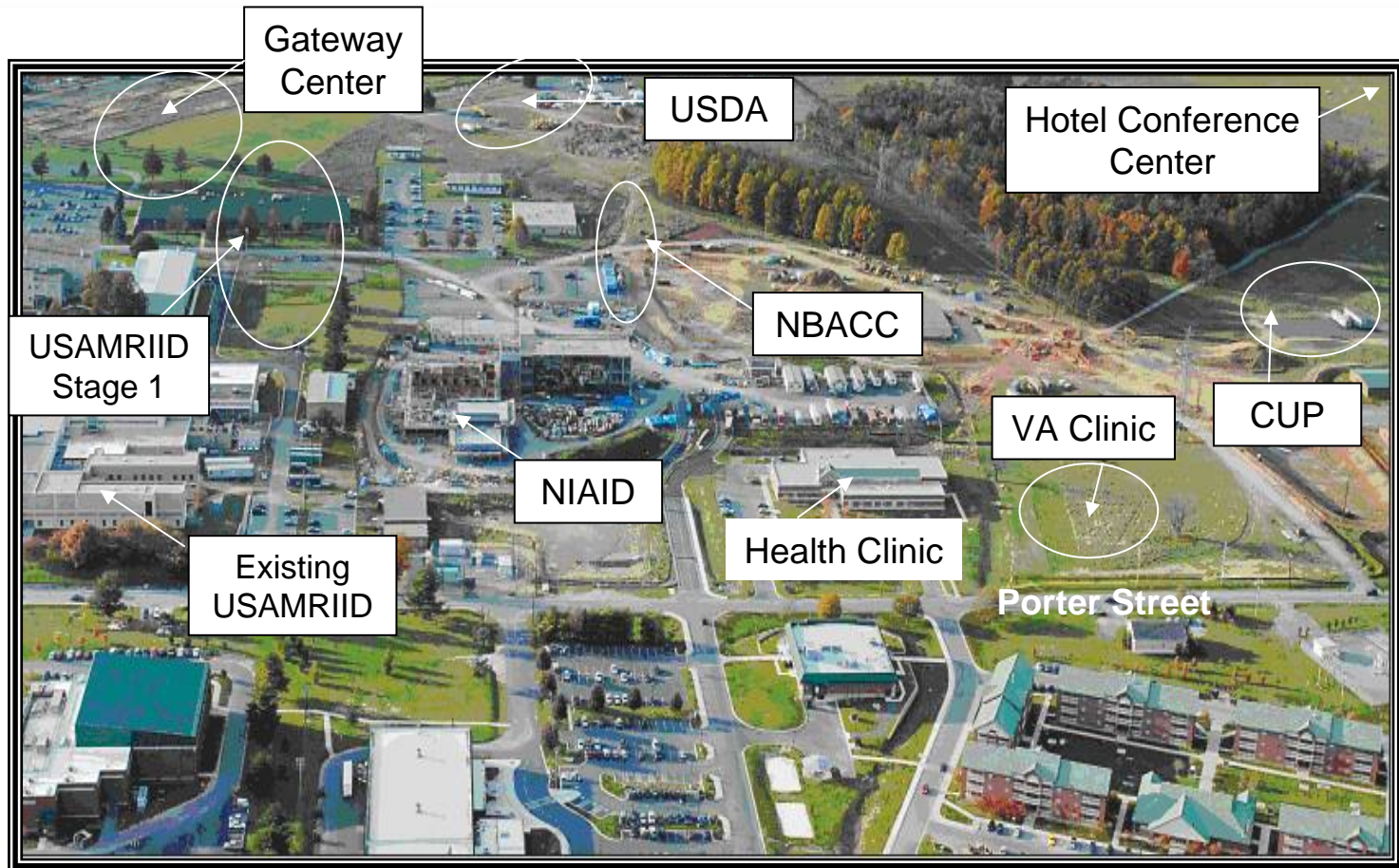


# Fort Detrick - Enhanced Use Leasing Development Opportunity





# Fort Detrick - Enhanced Use Leasing Development Opportunity





# Fort Detrick - Enhanced Use Leasing Development Opportunity

## Site #1: Gateway Center with Administrative and Retail Space

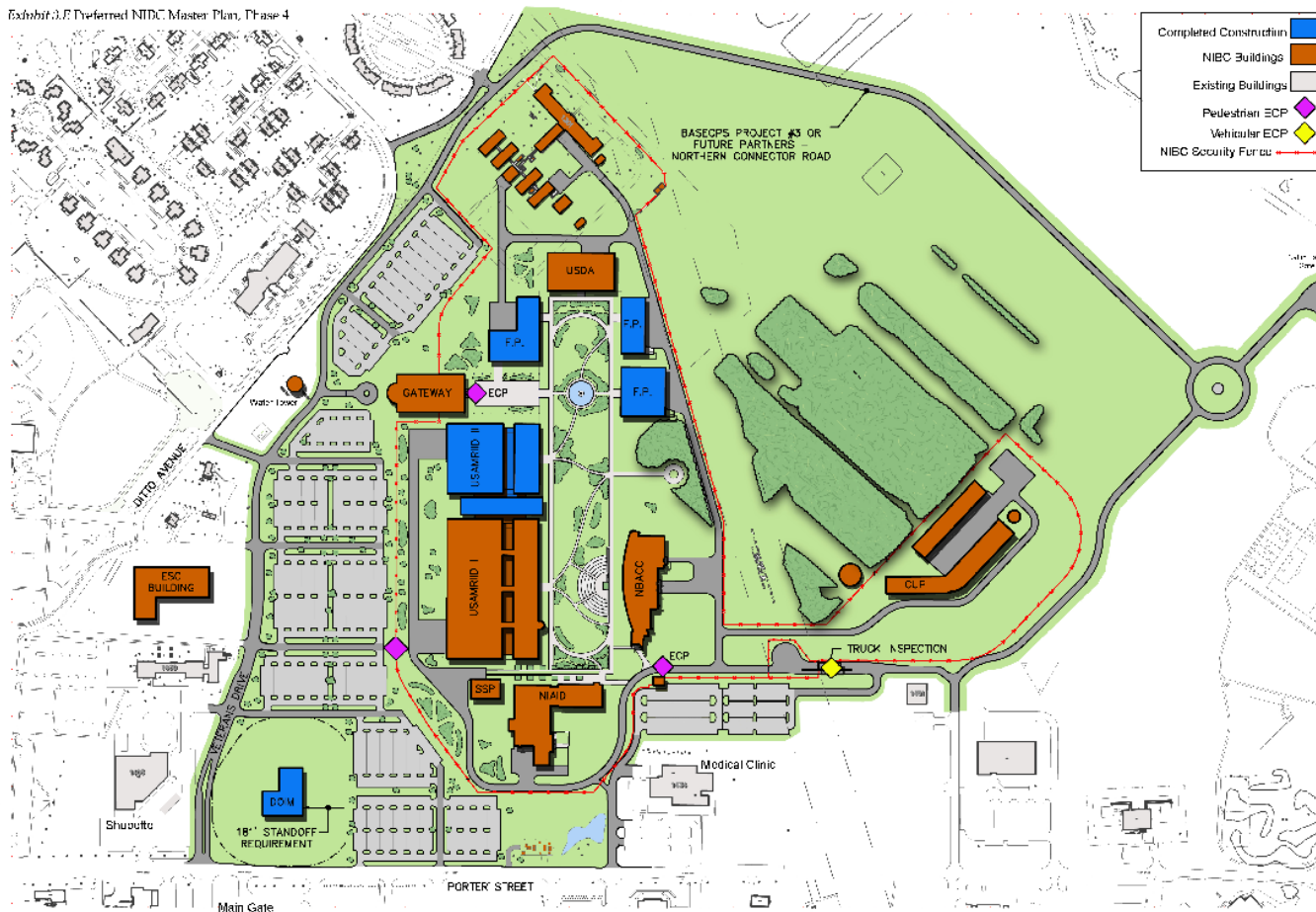
- Approximately 4 acres located on the perimeter of the National Interagency Biodefense Campus (NIBC), in Area A.



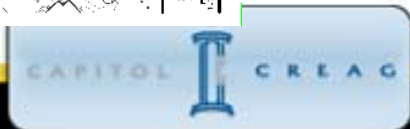


# Fort Detrick - Enhanced Use Leasing Development Opportunity

Exhibit 3.3 Preferred NIDC Master Plan, Phase 4

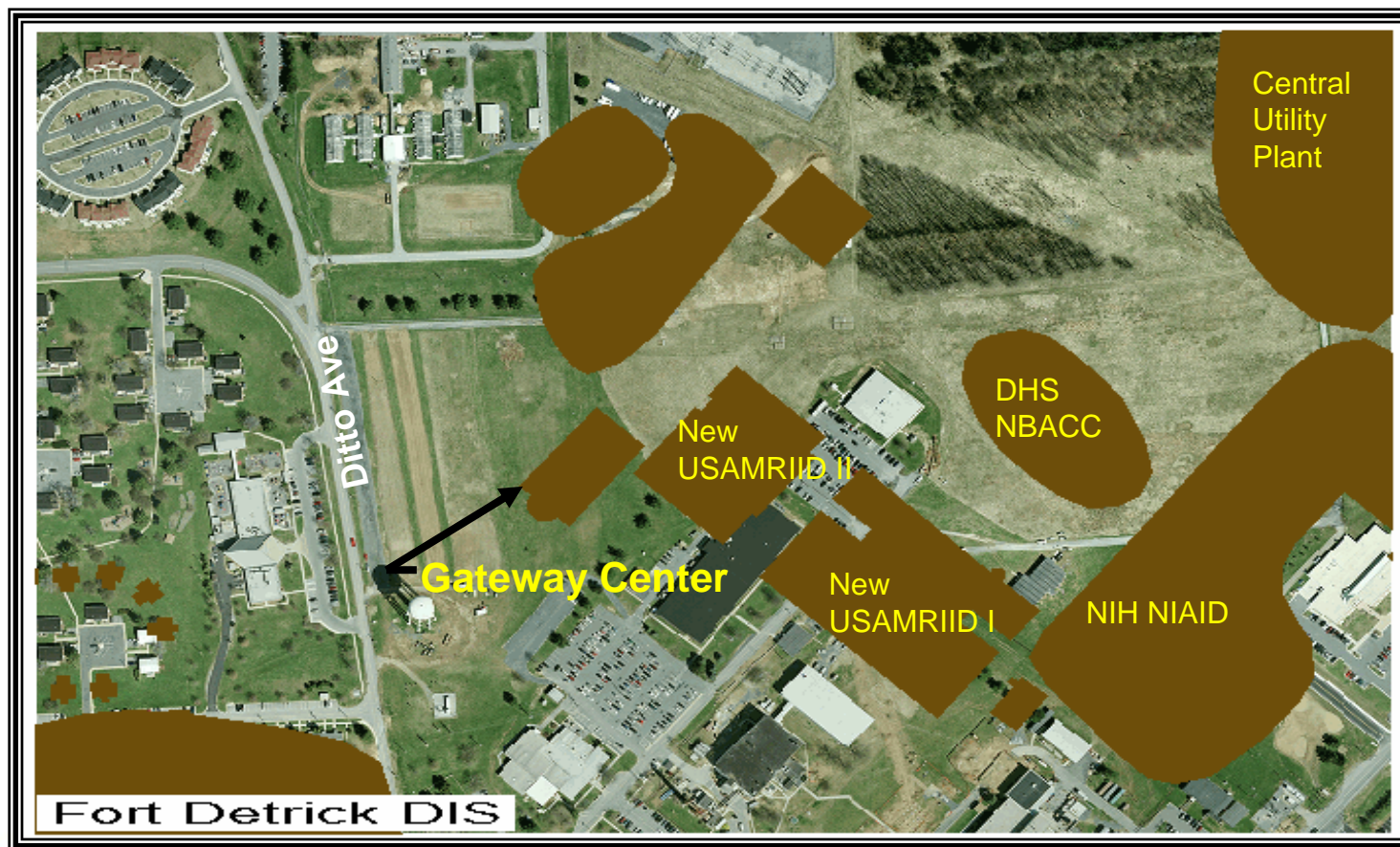


PHASE 4 NIDC MASTER PLAN





# Fort Detrick - Enhanced Use Leasing Development Opportunity





# Fort Detrick - Enhanced Use Leasing Development Opportunity

## Site #1: Gateway Center with Administrative and Retail Space

- Located on the perimeter of the NIBC campus, in central part of Area A, within Frederick, Maryland city limits
- Generally rectangular in shape, covering approximately 4 acres
- Land largely undeveloped
- Convenient to personnel working on the installation, the 354 family housing residents, and visitors entering through one of the installation's gates
- No known environmental, historical or cultural issues identified





# Fort Detrick - Enhanced Use Leasing Development Opportunity

## Site #1: Gateway Center with Administrative and Retail Space

- Access
  - Currently available via Ditto Avenue
  - Because site on perimeter of NIBC, the Fort Detrick community and visitors should be able to access a facility at this site
  - Road infrastructure, and Fort Detrick roadways provide good access
- Utilities: Sufficient capacity expected for site, and interconnection points may be available; this is to be confirmed by successful Development Team
- Easements: One electrical power transmission line right-of-way easement not directly on site, but within close proximity of site
- Encroachment: None noted





# Fort Detrick - Enhanced Use Leasing Development Opportunity

## Site #1: Gateway Center with Administrative and Retail Space

- Zoning/Land Use
  - Proposed construction consistent with the National Interagency Biodefense Campus (NIBC) master plan, and the installation's land use plan objectives
- Prospective end-user demand includes those seeking to be located
  - Inside the Fort Detrick fence line
  - Within proximity to: NIBC, National Cancer Institute (NCI), and other organizations located at Fort Detrick
  - Near family housing residents, and Fort Detrick visitors





# Fort Detrick - Enhanced Use Leasing Development Opportunity

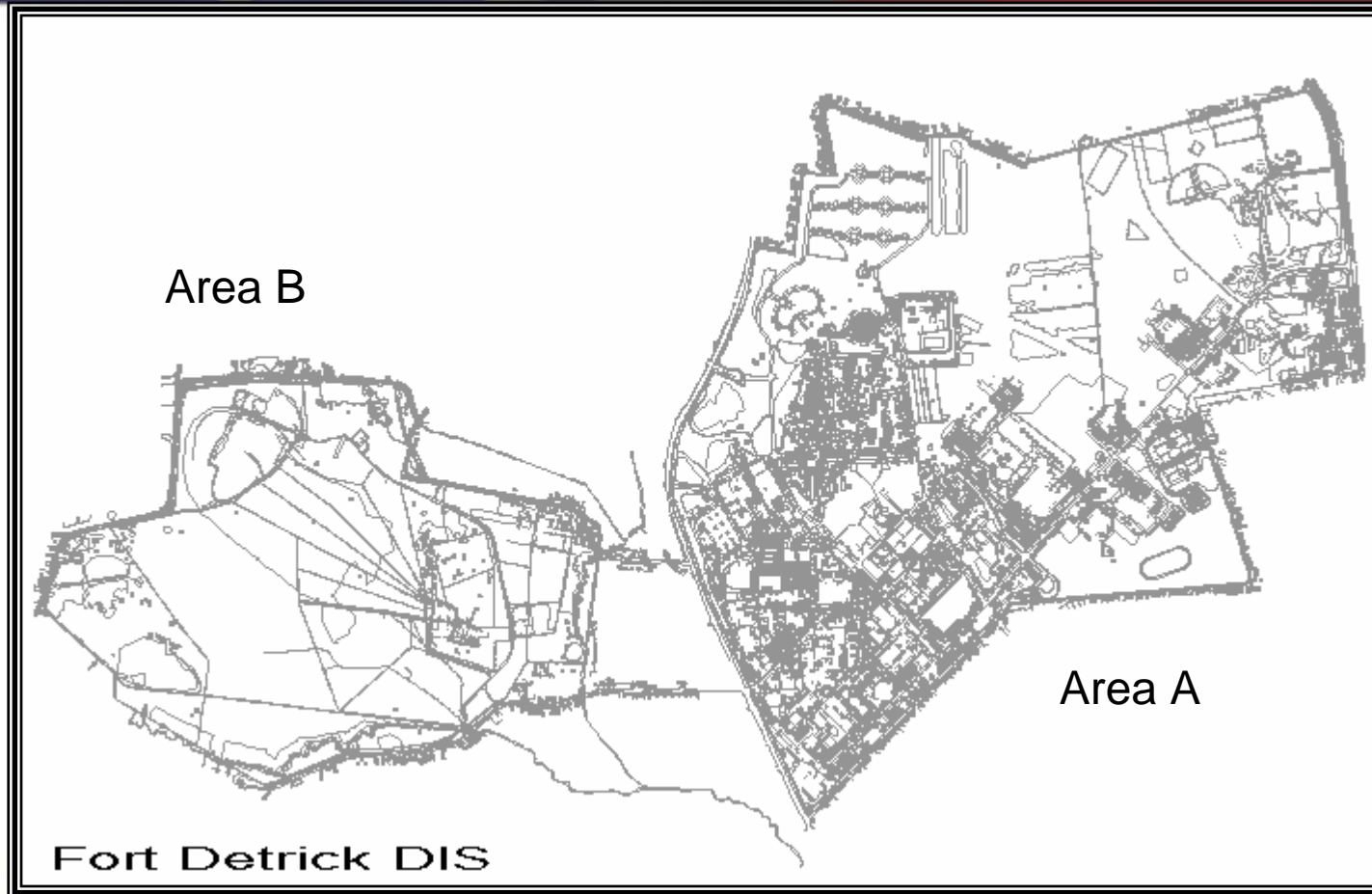
## Site #2: Hotel Conference Center and Office & Lab Facilities

- Approximately 20 acres located in the extreme northeastern portion of area known as Area A, within Frederick, Maryland city limits
- Site includes the option to acquire the 1.78 acres which a privatized military home (e.g., the Nallin Farmhouse) listed on the National Register of Historical Places is located





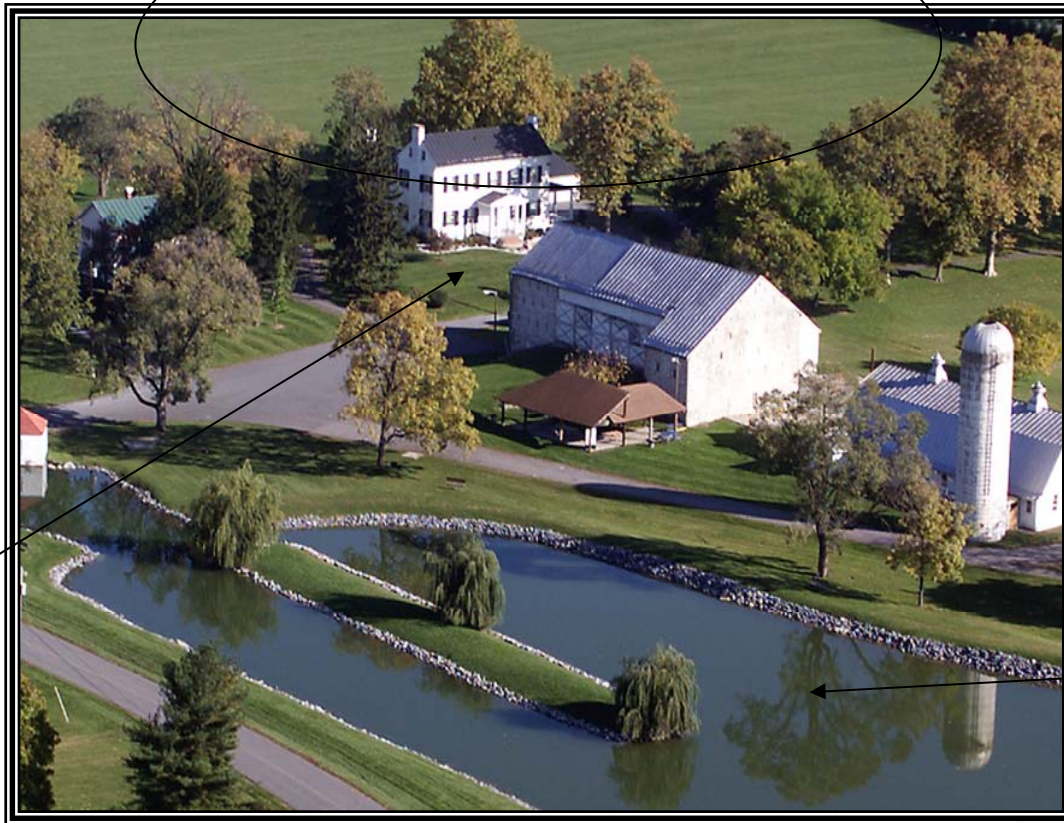
# Fort Detrick - Enhanced Use Leasing Development Opportunity





# Fort Detrick - Enhanced Use Leasing Development Opportunity

Nallin Farm is an  
Historic District  
with 3 Buildings  
on the National  
Register of  
Historic Places



Hotel/Conference Center

Nallin Farm

Nallin Pond





# Fort Detrick - Enhanced Use Leasing Development Opportunity

## Site #2: Hotel Conference Center and Office & Lab Facilities

- Land largely undeveloped, most of which is grassland
- Wetlands are not considered a development obstacle
- No known environmental issues identified in 2003 EBS report





# Fort Detrick - Enhanced Use Leasing Development Opportunity

## Natural/Cultural Resources





# Fort Detrick - Enhanced Use Leasing Development Opportunity

## Site #2: Hotel Conference Center and Office & Lab Facilities

- Two separate world-class facilities to be located at this site, one for the hotel and conference center, the other for laboratory and administrative space
  - Hotel and Conference Center envisioned to be state-of-the-art, with high-tech conferencing and meeting space
  - Laboratory and Administrative space could house a range of prospective tenants, including local colleges or academic institutions





# Fort Detrick - Enhanced Use Leasing Development Opportunity

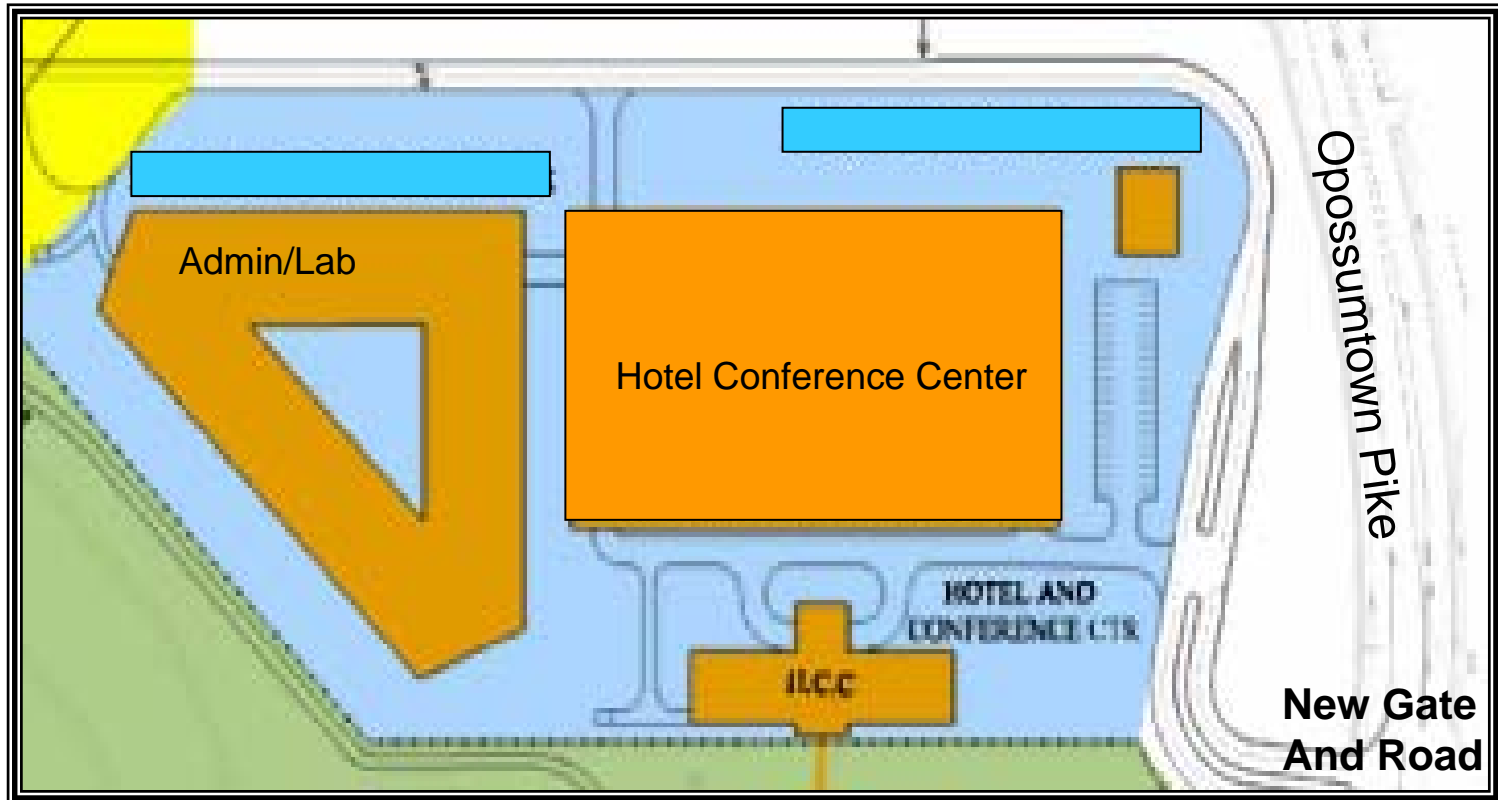
## Site #2: Hotel Conference Center and Office & Lab Facilities

- Access
  - Direct access to site only available from gravel road/jogging trail
  - 3-way light controlled intersection at Amber Drive envisioned to be converted into 4-way intersection with direct access to site
  - Site to include newly constructed Opossumtown Gate, and commercial access road to serve both the EUL development and general Fort Detrick traffic
  - Developer responsible for constructing the commercial access road
  - Developer responsible for moving the fence-line to place the EUL site outside Fort Detrick perimeter





# Fort Detrick - Enhanced Use Leasing Development Opportunity

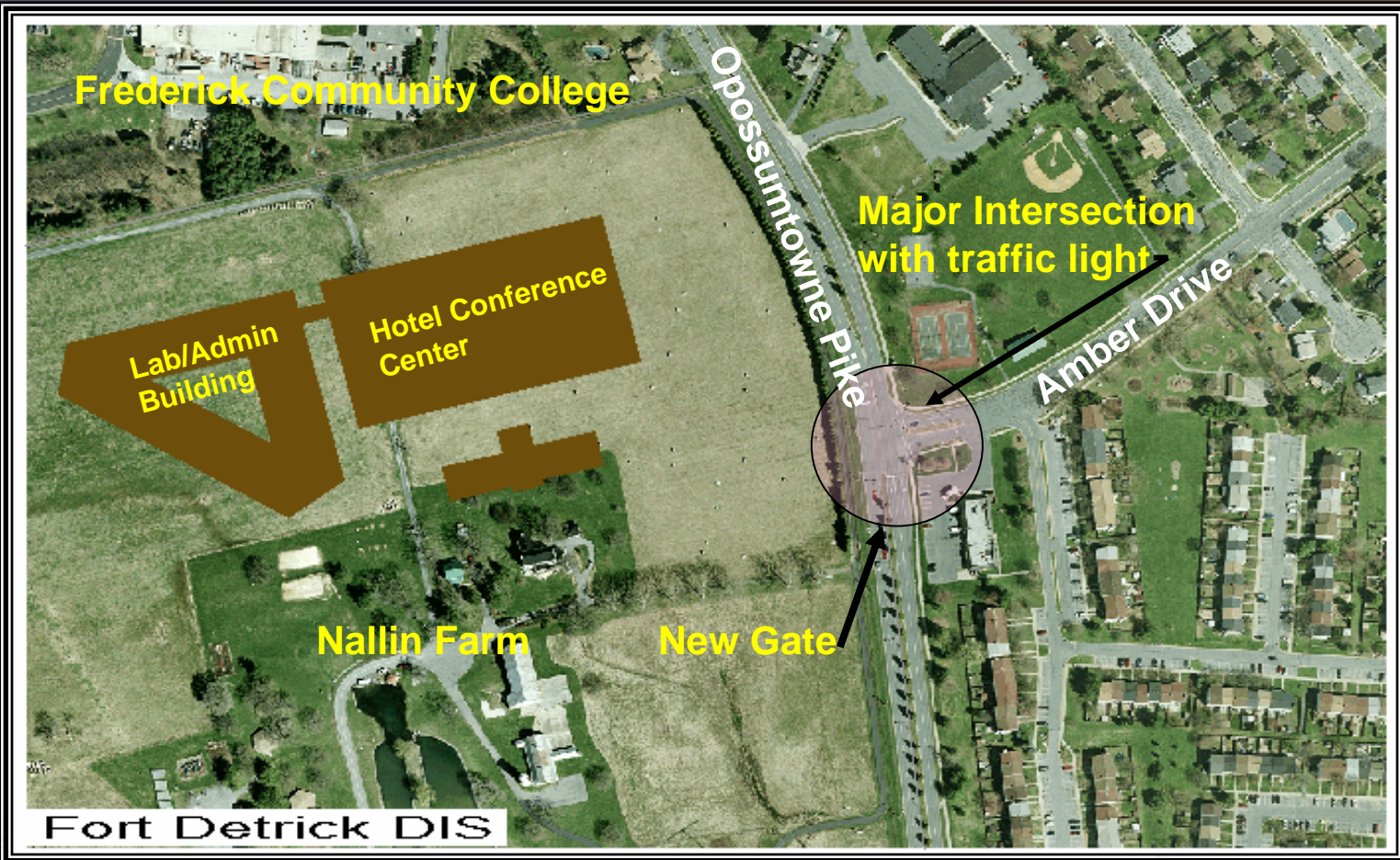


Hotel Conference Center and Admin/Lab Concept  
With Road and Gate Area





# Fort Detrick - Enhanced Use Leasing Development Opportunity





# Fort Detrick - Enhanced Use Leasing Development Opportunity

## Site #2: Hotel Conference Center and Office & Lab Facilities

- Utilities
  - Electric, water, and sewer are remote from Fort Detrick infrastructure, and may be accessible from local utilities
- Easements
  - One easement noted, for cable TV line
- Encroachment
  - None noted
- Zoning/Land Use:
  - Federal facility; proposed construction consistent with the installation's land use plan
  - Local surrounding zoning consistent with proposed site uses





# Fort Detrick - Enhanced Use Leasing Development Opportunity

## Site #2: Hotel Conference Center and Office & Lab Facilities

- Prospective end-user demand includes
  - Those desiring an accessible location near businesses within the second fastest growing county in the State of Maryland
  - Entities seeking lodging, meeting/conference facilities, office and/or laboratory space within proximity to: NIBC, NCI, educational entities such as Frederick Community College and Hood College, other organizations located at or near Fort Detrick, and the general public
  - Hotel/conference center, office and laboratory providers seeking a location near Fort Detrick workers, residents, and visitors
  - Tenants seeking laboratory/administrative space





# Fort Detrick Enhanced Use Leasing

## Critical Issues

- Historically-significant Nallin Farm District
- Stormwater management
- Wetlands/Afforestation (15% requirement)
- Environmental Assessment/Environmental Baseline Survey
- Perform due diligence to determine market supply and demand, and site attributes
  - Site visits at installation can be scheduled with Dawn Federline at Fort Detrick, until May 6, 2007





# Overview of the U.S. Army's Enhanced Use Leasing

**Roderick Chavez**

Project Manager

U. S. Army Corps of Engineers  
Baltimore District





# Overview of the U.S. Army's Enhanced Use Leasing

## What is Enhanced Use Leasing?

- Enhanced Use Leasing is a new tool in the military's arsenal providing an alternative to traditional approaches of acquiring, constructing or upgrading facilities.
- Leverage DoD assets that are currently available, but not excess to the Military's needs
- Receive rent in cash or in-kind services no-less-than FMV of asset





# Overview of the U.S. Army's Enhanced Use Leasing

## Title 10 USC §2667 gives Military Departments authority to:

- Enter into long-term or short-term leases, providing greater flexibility for facility reuse
- Lease land and/or buildings
- Receive income on leased property, which can be used to fund other new construction and does not have to be invested in the leased property





# Overview of the U.S. Army's Enhanced Use Leasing

## Why Does the Army Lease?

- Off-set declining Operation & Maintenance budgets
- Bring tenants who are synergistic with missions of installations
- Avoid cost of maintaining or razing old buildings
- Free-up space for increased or new missions





# Overview of the U.S. Army's Enhanced Use Leasing

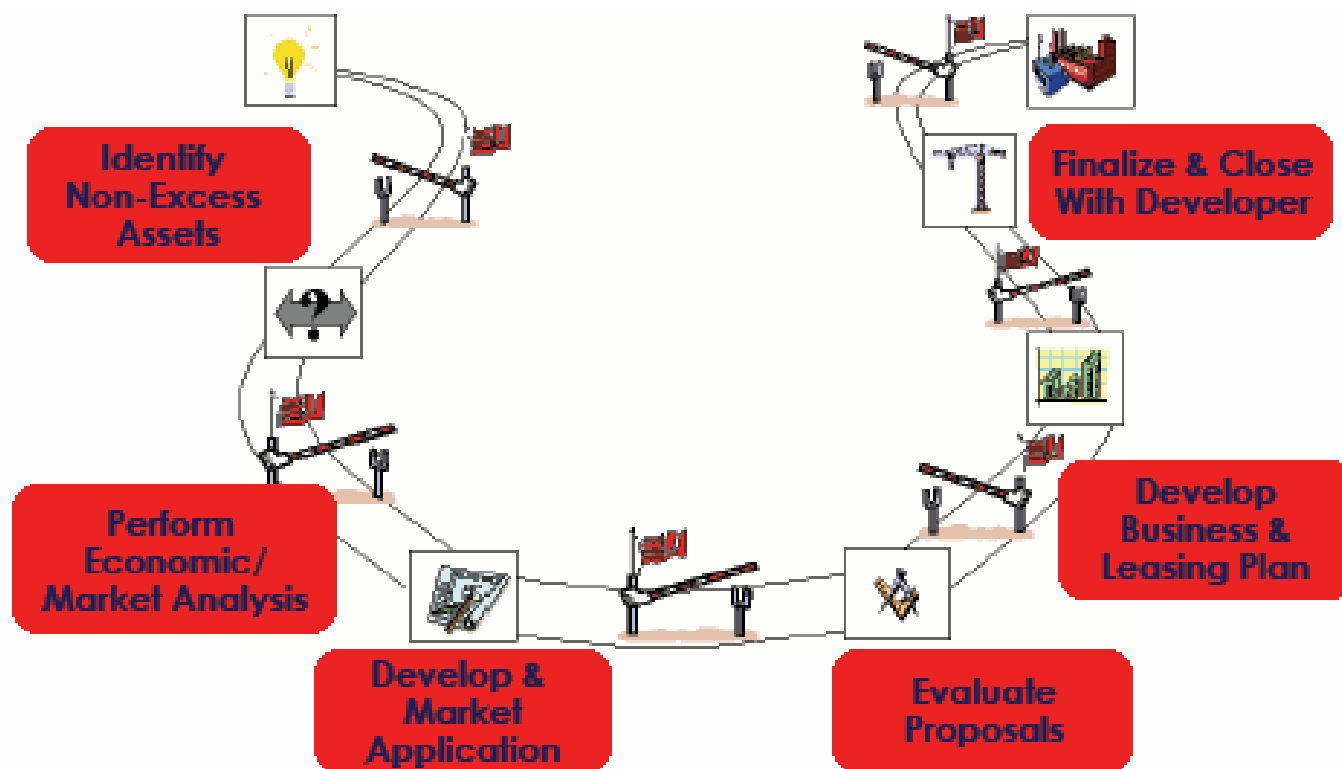
## How Does the Army Lease?

- Competitive (Advertising) Process
- Source Selection Process
- Negotiation Process



# Overview of the U.S. Army's Enhanced Use Leasing

## EUL Process





# Overview of the U.S. Army's Enhanced Use Leasing

## Benefits of an EUL for the Private Sector

*"The promise of win-win dealings rarely looked so achievable" – EUL developer quote*

- **Market Rate Returns:** Developer captures market rates of return on design, construction, maintenance, leasing/sales, and property management activities
- **Long-Term Relationship:** Ground lease for assets is up to 50 years and agreements with end users is frequently 20 years or more
- **Efficient Developer Selection Process:** Approach is to minimize time and effort of bringing a development entity on board to perform work
- **Growing Program:** DoD EUL program is in its early development stages, anticipation of many more projects across the country





# Overview of the U.S. Army's Enhanced Use Leasing

## Benefits of an EUL to the US Army

- Unleashes captive value from property
- Provides for needed development
- Tenants who compliment missions at Fort Detrick
- Supplements under-funded O&M
- Provides in-kind funding source for needed and un-funded capital improvements
- Stimulates local job market
- Improves community relations





# Overview of the U.S. Army's Enhanced Use Leasing

## What Does The Deal Look Like?

- Army Goal – Maximize land rent by mirroring a private sector transaction
- Developer Teams
- Think Real Estate!





# Overview of the U.S. Army's Enhanced Use Leasing

## EUL Process

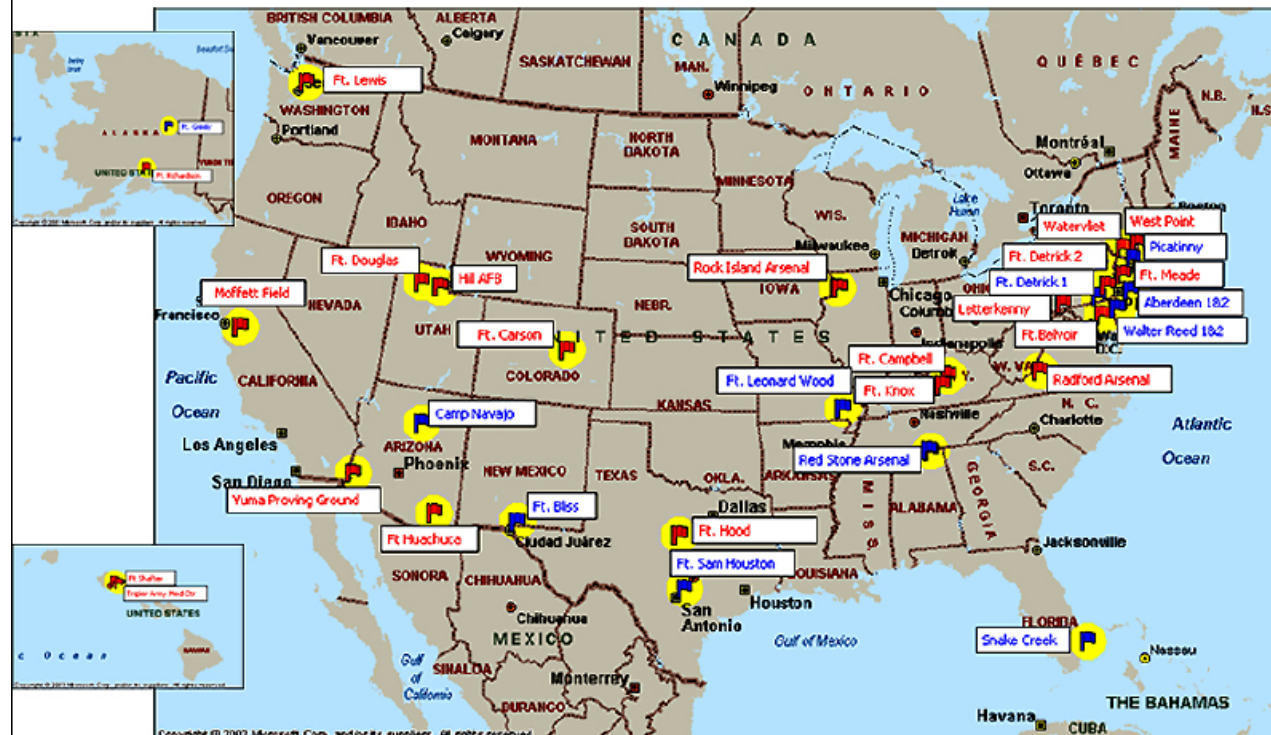
- Fort Sam Houston, TX
- Picatinny Arsenal, NJ
- Aberdeen Proving Ground, MD
- Redstone Arsenal, AL
- Snake Creek -Florida Natl. Guard
- Yuma Proving Ground, AZ
- Fort Greely, AK
- Camp Navajo, AZ
- Fort Meade, MD
- Fort Detrick Cogen Plant, MD





## EUL Projects

**Blue -**  
Awarded to  
Developer





# Fort Detrick - Enhanced Use Leasing Solicitation Process

**Roderick Chavez**

Project Manager

U.S. Army Corps of Engineers  
Baltimore District





# Fort Detrick - Enhanced Use Leasing Solicitation Process

## Solicitation Process Overview

- Description of Solicitation Plan
- Notice of Availability to Lease (NOL)
- Overview of Evaluation Criteria
- Overview of Evaluation Process
- Lessons Learned for NOL Application Submittal
- Anticipated Milestones & Next Steps





# Fort Detrick - Enhanced Use Leasing Solicitation Process

## Description of the Solicitation Plan

1. Prepare draft NOL and issue pre-solicitation document

2. Solicit industry interest and conduct Industry Forum

3. Finalize NOL and issue to Offerors

4. Receive and evaluate proposals

5. Determine competitive range/select Successful Offeror

6. Partnering session with Government and Developer

7. Developer creates business and leasing plan for Government review

8. Government reviews and edits business and leasing plan

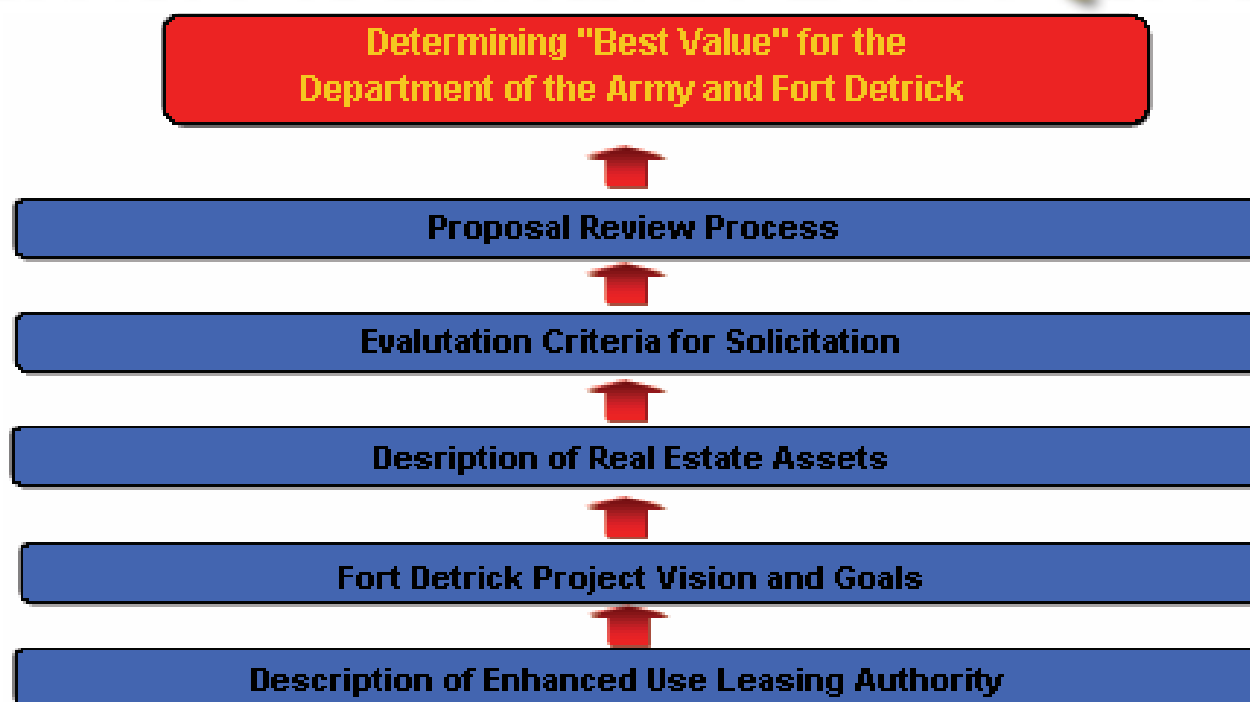
9. Developer and Government sign lease





# Fort Detrick - Enhanced Use Leasing Solicitation Process

## Description of the Notice of Intent to Lease (NOL)





# Fort Detrick - Enhanced Use Leasing Evaluation Criteria

Factor		Description
1.	Relevant Experience/Past Performance	<ul style="list-style-type: none"><li>•Experience with Comparable Projects</li><li>•Objective Assessment of Prior Performance</li></ul>
2.	Financial	<ul style="list-style-type: none"><li>•Financial Capabilities</li></ul>
3.	Development Plan	<ul style="list-style-type: none"><li>•Understanding of Requirements</li><li>•Proposed Concept and Vision</li></ul>
4.	Marketing Plan	<ul style="list-style-type: none"><li>•Ability to Market Project to Tenants</li></ul>
5.	Property Management/Maintenance	<ul style="list-style-type: none"><li>•Relevant Experience Managing Similar Projects</li><li>•Envisioned Management Plan for Fort Detrick</li></ul>
6.	Capabilities/Qualifications	<ul style="list-style-type: none"><li>•Staffing Plan</li><li>•Key Personnel</li><li>•Organizational Approach</li></ul>
7.	Achievement of Army Goals	<ul style="list-style-type: none"><li>•Understanding of Army's Project Objectives</li></ul>
8.	Experience with Community Relations	<ul style="list-style-type: none"><li>•Experience with Community Partners</li><li>•Envisioned Community Approach</li></ul>





# Fort Detrick - Enhanced Use Leasing Evaluation Criteria

## Individual Factor Rating

Factor Rating	Description
Exceptional (+)	The offeror has addressed substantially all of the elements in this factor in a manner that demonstrates superior added value above a satisfactory response for substantially all of the elements.
Exceptional	The offeror has addressed many of the elements of this factor in a manner that demonstrates superior added value above a satisfactory response and has addressed substantially all of the remaining elements in this factor in a manner that demonstrates high added value above a satisfactory response.
Acceptable (+)	The offeror has addressed many of the elements of this factor in a manner that demonstrates some added value above a satisfactory response and has addressed substantially all of the remaining elements in this factor in a manner that demonstrates a satisfactory response.
Acceptable	The offeror has addressed substantially all of the elements in this factor in a satisfactory manner.
Unacceptable	The offeror has failed to address substantially all of the elements of this factor in a satisfactory manner or has simply failed to address substantially all of the elements in this factor.
Neutral	This rating will only be used to evaluate an offeror in the past performance evaluation factor. The offeror did not have a sufficient history that could be evaluated in a level of detail that allowed the evaluation team to draw a conclusion about the offeror's past performance





# Fort Detrick - Enhanced Use Leasing Evaluation Criteria

## Overall Proposal Rating

Factor Rating	Description
Exceptional (+)	The offeror has addressed substantially all of the elements in all of the factors in a manner that demonstrates superior added value above a satisfactory response.
Exceptional	The offeror has addressed many of the factors in a manner that demonstrates superior added value above a satisfactory response and has addressed substantially all of the remaining factors in a manner that demonstrates high added value above a satisfactory response.
Acceptable (+)	The offeror has addressed many of the factors in a manner that demonstrates some added value above a satisfactory response and has addressed substantially all of the remaining factors in a manner that demonstrates a satisfactory response.
Acceptable	The offeror has addressed substantially all of the factors in a satisfactory manner.
Unacceptable	The offeror has failed to address substantially all of the factors in a satisfactory manner or has simply failed to address substantially all of the factors.





# Fort Detrick - Enhanced Use Leasing Evaluation Criteria

## Risk Rating

Factor Risk Rating	Description
Low Risk	Any weaknesses identified by the evaluators have little potential to cause disruption to the planning and implementation phases. Normal contractor/government effort and monitoring will probably minimize any difficulties.
Moderate Risk	These are weaknesses identified by the evaluators that can potentially cause disruption to the planning and implementation phases. Special contractor/government emphasis and close monitoring will probably minimize any difficulties.
High Risk	These are weaknesses identified by the evaluators that have the potential to cause significant disruption to the planning and implementation phases even with special contractor/government emphasis and close monitoring.





# Fort Detrick - Enhanced Use Leasing Evaluation Process

- Meet Due Date and Page Limitation Compliance
- Check of all Financial and Project References
  - Dun and Bradstreet (include number or current report in submission)
  - Current name and contact points for references
- Source Selection Executive Board (SSEB)
- Oral Presentations
  - Prepare now –advance schedule notice may be less than a week
- Award Notification
  - Memorandum of Agreement with selected developer
  - Debriefs to all submitting groups





# Fort Detrick - Enhanced Use Leasing Notice of Intent to Lease

## Lessons Learned

- Include all required information and requested data asked for in the solicitation. When in doubt.....ask!
- Review submittal for compliance with all requirements including page limitations and font size. Pages over page count limitations will be excluded.
- Be specific when describing past performance and experiences (i.e. clear descriptions of projects completed). Do not make the evaluation team have to “interpret” proposal submittal!
- Acceptable to include company brochures and websites as background, however, no guarantee they will be evaluated





# Fort Detrick - Enhanced Use Leasing Notice of Intent to Lease

## Lessons Learned

- Be prepared for oral presentations
- Put best foot forward during this stage....don't expect another bite at the apple
- Army wants world-class hotel, conference center, office, and retail facilities and expects a world-class developer to supply it!
- NOL draft and final version downloadable from web at <http://eul.army.mil/DetrackGateways>
- Final Environmental Baseline Survey (EBS) is available for download at <http://eul.army.mil/DetrackGateways>





# Fort Detrick - Enhanced Use Leasing Anticipated Project Milestones

Milestones	Current Schedule (subject to change)
Industry Forum	April 2007
Final NOL Issued	April 2007
Proposals Due	May 7, 2007
Successful Developer Selected	June 2007
Business & Lease Plan Finalized	November 2007
Documents Review and Approval	December 2007
EIS Completed	T.B.D.
Execute Lease with Developer	December 2007
Construction Begins	T.B.D.





# Fort Detrick - Enhanced Use Leasing Upcoming Process

## Stay Informed!

<http://www.eul.army.mil>

**Bob Penn**

410-962-3000

Bob.Penn@nab02.usace.army.mil

**Roderick Chavez**

410-962-4925

Roderick.Chavez@nab02.usace.army.mil





# Fort Detrick Enhanced Use Leasing

**Dwayne Rush**

Capitol CREAG, LLC

**Colonel Mary R. Deutsch**

U.S. Army Garrison Commander, Fort Detrick

**Colonel Donald Archibald**

Director of Safety, Environment, and Integrated Planning Office, Fort Detrick

**Larry Potter**

Director of Installation Services, Fort Detrick

**Robert P. Craig, P.E.**

Chief of the Environmental Management Division, Fort Detrick

**Roderick Chavez**

Project Manager, U.S. Army Corps of Engineers – Baltimore District

**Kim Marchand**

Managing Director, Capitol CREAG, LLC





# Fort Detrick Enhanced Use Leasing

If you would like to arrange for a viewing of  
the Gateway Center site and/or the Hotel/  
Conference Center site, please contact:

**Dawn Federline at Fort Detrick**

301-619-2442

dawn.federline@us.army.mil





# Fort Detrick Enhanced Use Leasing

## Gateway EUL Industry Forum

**Hotel, Conference Center,  
Office Laboratory, & Retail**

Lynfield Event Complex  
Frederick, Maryland  
3 April 2007

